STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3
AMENDED REPORT ☐

APPLICATION FOR PERMIT TO DRILL		1. WELL NAME and NUMBER: Bonanza 1023-10H1BS
2. TYPE OF WORK: DRILL NEW WELL (●) REENTER P&A WELL ( ) DEEPEN WELL ( )		3. FIELD OR WILDCAT: NATURAL BUTTES
4. TYPE OF WELL: Gas Well Coalbed Methane Well: NO		5. UNIT or COMMUNITIZATION AGREEMENT NAME
6. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. OPERATOR PHONE: 720 929-6587
8. ADDRESS OF OPERATOR: P.O. Box 173779, Denver, CO, 80217		9. OPERATOR E-MAIL: mary.mondragon@anadarko.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE): UTU 40736	11. MINERAL OWNERSHIP: FEDERAL (●) INDIAN ( ) STATE ( ) FEE ( )	12. SURFACE OWNERSHIP: FEDERAL (●) INDIAN ( ) STATE ( ) FEE ( )
13. NAME OF SURFACE OWNER (if box 12 = 'fee')		14. SURFACE OWNER PHONE (if box 12 = 'fee')
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')		16. SURFACE OWNER E-MAIL (if box 12 = 'fee')
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')	18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS: YES (●) (Submit Commingling Application) NO ( )	19. SLANT: VERTICAL ( ) DIRECTIONAL (●) HORIZONTAL ( )

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1199 FNL 241 FEL	NENE	10	10.0 S	23.0 E	S
Top of Uppermost Producing Zone	1505 FNL 600 FEL	SENE	10	10.0 S	23.0 E	S
At Total Depth	1505 FNL 600 FEL	SENE	10	10.0 S	23.0 E	S

21. COUNTY: UINTAH	22. DISTANCE TO NEAREST LEASE LINE (Feet): 600	23. NUMBER OF ACRES IN DRILLING UNIT: 320
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed): 470	26. PROPOSED DEPTH: MD: 7957 TVD: 7900
27. ELEVATION - GROUND LEVEL: 5434	28. BOND NUMBER: WYB000291	29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE: Permit #43-8496

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	☑ COMPLETE DRILLING PLAN
☐ AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	☐ FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
☑ DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	☑ TOPOGRAPHICAL MAP

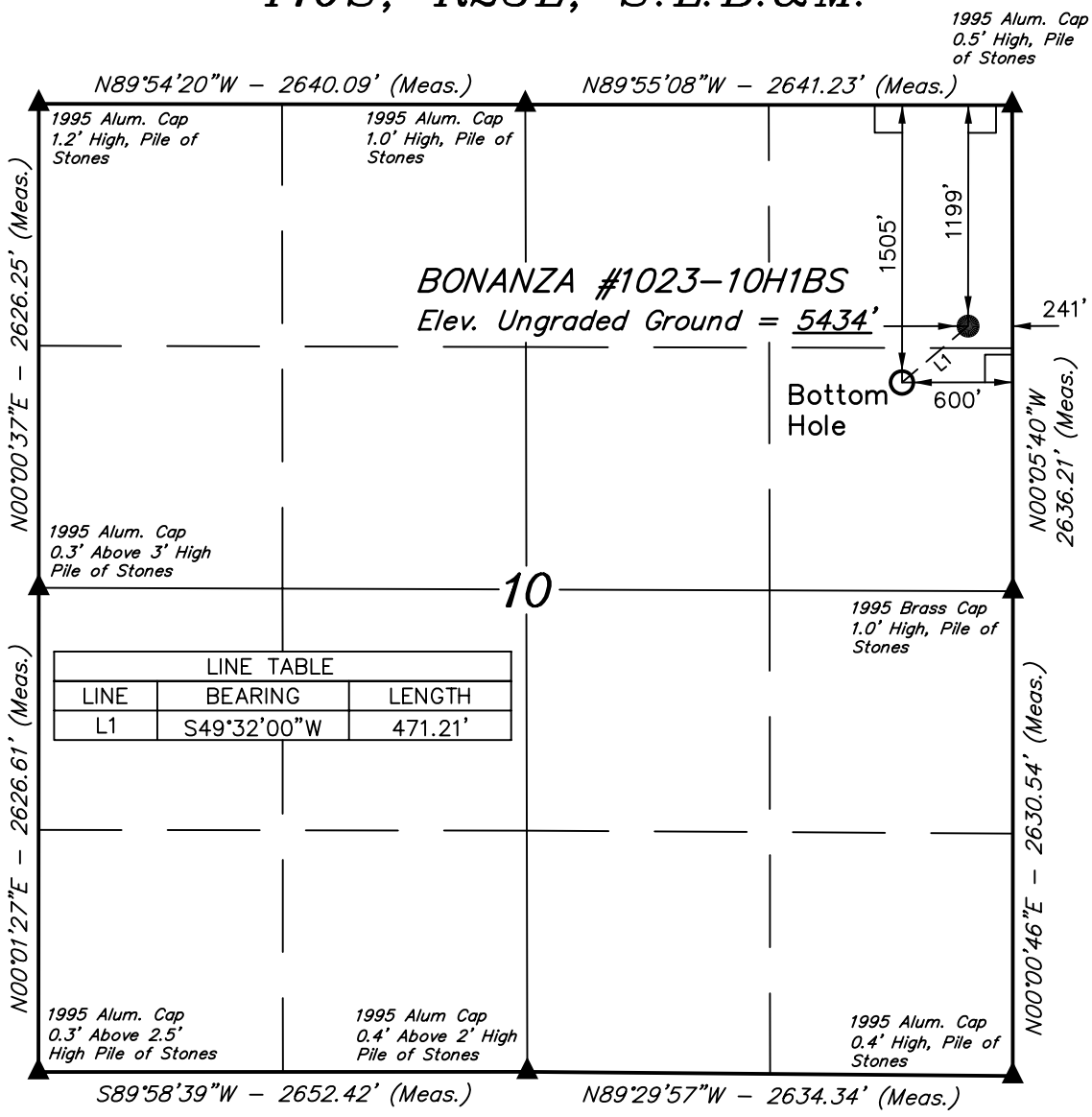
NAME: Danielle Piernot	TITLE: Regulatory Analyst	PHONE: 720 929-6156
SIGNATURE	DATE: 06/19/2009	EMAIL: danielle.piernot@anadarko.com

API NUMBER ASSIGNED: 43047505170000	APPROVAL: Permit Manager

Proposed Hole, Casing, and Cement						
String	**Hole Size**	**Casing Size**	**Top (MD)**	**Bottom (MD)**		
Prod	7.875	4.5	0	7957		
Pipe	**Grade**	**Length**	**Weight**			
	Grade I-80 LT&C	7957	11.6			

Proposed Hole, Casing, and Cement						
String	**Hole Size**	**Casing Size**	**Top (MD)**	**Bottom (MD)**		
Surf	12.25	9.625	0	2075		
Pipe	**Grade**	**Length**	**Weight**			
	Grade J-55 LT&C	2075	36.0			

T10S, R23E, S.L.B.&M.



LINE TABLE		
LINE	BEARING	LENGTH
L1	S49°32'00"W	471.21'

Kerr–McGee Oil & Gas Onshore LP

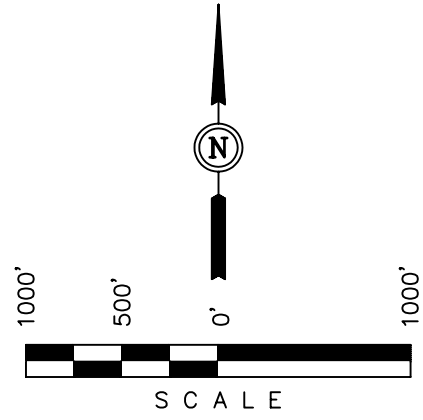
Well location, BONANZA #1023–10H1BS, located as shown in the NE 1/4 NE 1/4 of Section 10, T10S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 12-19-08 C.C.
REVISED: 12-17-08 D.P.
REVISED: 11-24-08

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789-1017

LEGEND:

└ = 90° SYMBOL
● = PROPOSED WELL HEAD.
▲ = SECTION CORNERS LOCATED.

NAD 83 (TARGET BOTTOM HOLE)	NAD 83 (SURFACE LOCATION)
LATITUDE = 39°57'59.58" (39.966550)	LATITUDE = 39°58'02.60" (39.967389)
LONGITUDE = 109°18'20.86" (109.305794)	LONGITUDE = 109°18'16.26" (109.304517)
NAD 27 (TARGET BOTTOM HOLE)	**NAD 27 (SURFACE LOCATION)**
LATITUDE = 39°57'59.70" (39.966583)	LATITUDE = 39°58'02.72" (39.967422)
LONGITUDE = 109°18'18.42" (109.305117)	LONGITUDE = 109°18'13.82" (109.303839)

SCALE: 1" = 1000'	DATE SURVEYED: 10-21-08	DATE DRAWN: 10-30-08
PARTY: B.B. D.S. C.C.	REFERENCES: G.L.O. PLAT	
WEATHER: COLD	FILE: Kerr-McGee Oil & Gas Onshore LP	

'API Well No: 43047505170000'

ANADARKO PETROLEUM CORP.

UINTAH COUNTY, UTAH (nad 27)
Bonanza 1023-10A PAD
Bonanza 1023-10H1BS

Bonanza 1023-10H1BS

Plan: Design #1

Standard Planning Report

23 January, 2009

'APIWellNo:43047505170000'

Anadarko E&P Company LP

Bonanza 1023-10H1BS
UINTAH COUNTY, UTAH (nad 27)
SECTION 10 T10S R23E
1199' FNL, 241' FEL
39° 58' 2.719 N
109° 18' 13.820 W

Weatherford

Azimuths to True North
Magnetic North: 11.32°

Magnetic Field
Strength: 52588.4snT
Dip Angle: 65.97°
Date: 1/22/2009
Model: BGGM2008

WELL DETAILS: Bonanza 1023-10H1BS						
			Ground Level:	5434.00		
+N/-S	+E/-W	Northing	Easting	Latittude	Longitude	Slot
0.00	0.00	14518701.15	2115678.58	39° 58' 2.719 N	109° 18' 13.820 W	

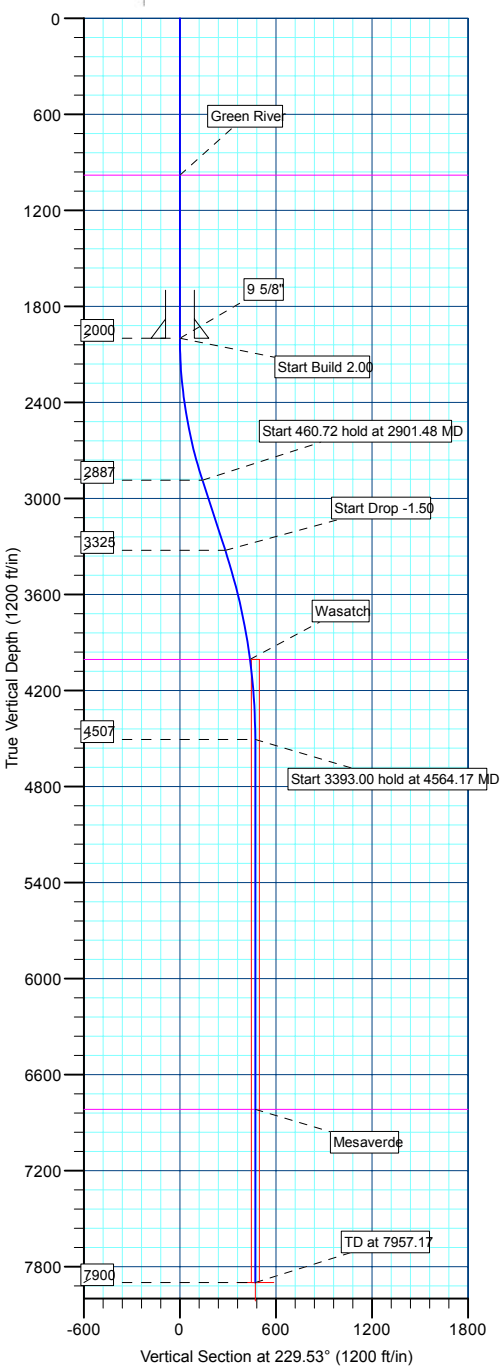
WELLBORE TARGET DETAILS (LAT/LONG)

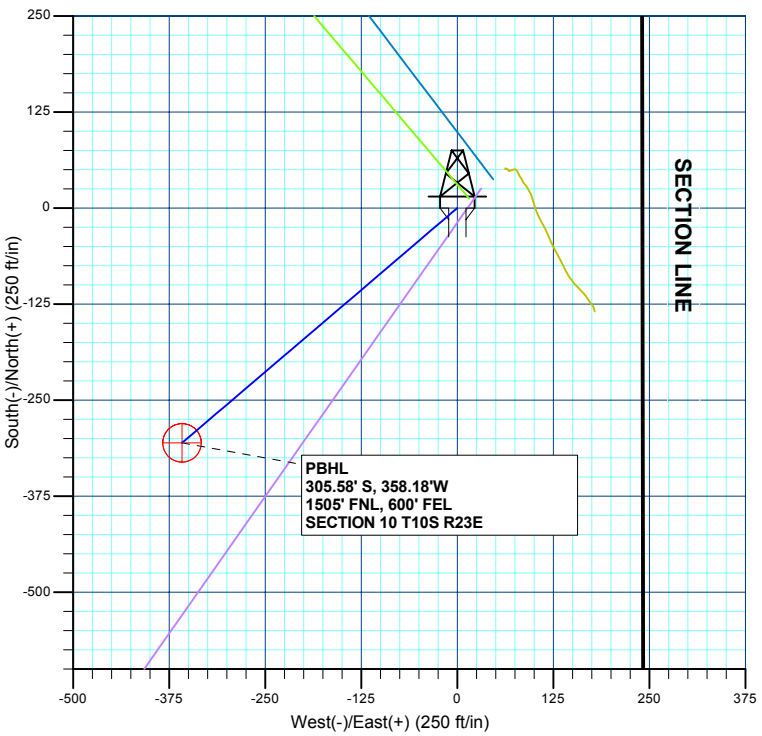
Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
PBHL	7900.00	-305.58	-358.18	39° 57' 59.699 N	109° 18' 18.421 W	Circle (Radius: 25.00)

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	2000.00	0.00	0.00	2000.00	0.00	0.00	0.00	0.00	0.00	
3	2901.48	18.03	229.53	2886.67	-91.30	-107.01	2.00	229.53	140.67	
4	3362.20	18.03	229.53	3324.77	-183.85	-215.50	0.00	0.00	283.27	
5	4564.17	0.00	0.00	4507.00	-305.58	-358.18	1.50	180.00	470.82	
6	7957.17	0.00	0.00	7900.00	-305.58	-358.18	0.00	0.00	470.82	PBHL_Bonanza 1023-10H1BS_NEW

3 ELEV: WELL @ 5452.00ft (Original Well Elev)
RD ELEV: 5434.00





FORMATION TOP DETAILS

TVDPath	MDPath	Formation
981.00	981.00	Green River
4007.00	4062.73	Wasatch
6818.00	6875.17	Mesaverde

CASING DETAILS

TVD	MD	Name	Size
2000.00	2000.00	9 5/8"	9.62

Plan: Design #1 (Bonanza 1023-10H1BS/Bonanza 1023-10H1BS)

Created By: Robert H. Scott

Weatherford International Ltd.

Planning Report

Database:	EDM 2003.21 Single User Db	**Local Co-ordinate Reference:**	Site Bonanza 1023-10A PAD
Company:	ANADARKO PETROLEUM CORP.	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Project:	UINTAH COUNTY, UTAH (nad 27)	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site:	Bonanza 1023-10A PAD	**North Reference:**	True
Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Bonanza 1023-10H1BS		
Design:	Design #1		

Project UINTAH COUNTY, UTAH (nad 27),

Map System:	Universal Transverse Mercator (US Survey Fee	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 - Western US		
Map Zone:	Zone 12N (114 W to 108 W)		

Site Bonanza 1023-10A PAD, SECTION 10 T10S R23E

Site Position:		**Northing:**	14,518,701.15 ft	**Latitude:**	39° 58' 2.719 N
From:	Lat/Long	**Easting:**	2,115,678.58 ft	**Longitude:**	109° 18' 13.820 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	in	**Grid Convergence:**	1.09 °

Well Bonanza 1023-10H1BS

Well Position	**+N/-S**	0.00 ft	**Northing:**	14,518,701.15 ft	**Latitude:**	39° 58' 2.719 N
	+E/-W	0.00 ft	**Easting:**	2,115,678.58 ft	**Longitude:**	109° 18' 13.820 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	5,434.00 ft

Wellbore Bonanza 1023-10H1BS

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	BGGM2008	1/22/2009	11.32	65.97	52,588

Design Design #1

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	229.53

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,901.48	18.03	229.53	2,886.67	-91.30	-107.01	2.00	2.00	0.00	229.53	
3,362.20	18.03	229.53	3,324.77	-183.85	-215.50	0.00	0.00	0.00	0.00	
4,564.17	0.00	0.00	4,507.00	-305.58	-358.18	1.50	-1.50	0.00	180.00	
7,957.17	0.00	0.00	7,900.00	-305.58	-358.18	0.00	0.00	0.00	0.00	PBHL_Bonanza 10

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Project:	UINTAH COUNTY, UTAH (nad 27)	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site:	Bonanza 1023-10A PAD	**North Reference:**	True
Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Bonanza 1023-10H1BS		
Design:	Design #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
Start Build 2.00 - 9 5/8"									
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	2.00	229.53	2,099.98	-1.13	-1.33	1.75	2.00	2.00	0.00
2,200.00	4.00	229.53	2,199.84	-4.53	-5.31	6.98	2.00	2.00	0.00
2,300.00	6.00	229.53	2,299.45	-10.19	-11.94	15.69	2.00	2.00	0.00
2,400.00	8.00	229.53	2,398.70	-18.10	-21.21	27.88	2.00	2.00	0.00
2,500.00	10.00	229.53	2,497.47	-28.25	-33.11	43.52	2.00	2.00	0.00
2,600.00	12.00	229.53	2,595.62	-40.63	-47.63	62.60	2.00	2.00	0.00
2,700.00	14.00	229.53	2,693.06	-55.23	-64.74	85.10	2.00	2.00	0.00
2,800.00	16.00	229.53	2,789.64	-72.03	-84.43	110.98	2.00	2.00	0.00
2,900.00	18.00	229.53	2,885.27	-91.00	-106.67	140.21	2.00	2.00	0.00
Start 460.72 hold at 2901.48 MD									
2,901.48	18.03	229.53	2,886.67	-91.30	-107.01	140.67	2.00	2.00	0.00
3,000.00	18.03	229.53	2,980.36	-111.09	-130.21	171.16	0.00	0.00	0.00
3,100.00	18.03	229.53	3,075.45	-131.18	-153.76	202.11	0.00	0.00	0.00
3,200.00	18.03	229.53	3,170.54	-151.27	-177.31	233.06	0.00	0.00	0.00
3,300.00	18.03	229.53	3,265.63	-171.36	-200.85	264.02	0.00	0.00	0.00
Start Drop -1.50									
3,362.20	18.03	229.53	3,324.77	-183.85	-215.50	283.27	0.00	0.00	0.00
3,400.00	17.46	229.53	3,360.77	-191.33	-224.26	294.79	1.50	-1.50	0.00
3,500.00	15.96	229.53	3,456.55	-209.99	-246.14	323.54	1.50	-1.50	0.00
3,600.00	14.46	229.53	3,553.04	-227.02	-266.10	349.78	1.50	-1.50	0.00
3,700.00	12.96	229.53	3,650.19	-242.41	-284.13	373.49	1.50	-1.50	0.00
3,800.00	11.46	229.53	3,747.92	-256.14	-300.23	394.64	1.50	-1.50	0.00
3,900.00	9.96	229.53	3,846.18	-268.20	-314.37	413.23	1.50	-1.50	0.00
4,000.00	8.46	229.53	3,944.88	-278.59	-326.54	429.24	1.50	-1.50	0.00
Wasatch									
4,062.73	7.52	229.53	4,007.00	-284.25	-333.18	437.96	1.50	-1.50	0.00
4,100.00	6.96	229.53	4,043.98	-287.30	-336.75	442.66	1.50	-1.50	0.00
4,200.00	5.46	229.53	4,143.39	-294.32	-344.99	453.48	1.50	-1.50	0.00
4,300.00	3.96	229.53	4,243.05	-299.66	-351.24	461.69	1.50	-1.50	0.00
4,400.00	2.46	229.53	4,342.89	-303.29	-355.50	467.30	1.50	-1.50	0.00
4,500.00	0.96	229.53	4,442.84	-305.23	-357.77	470.29	1.50	-1.50	0.00
Start 3393.00 hold at 4564.17 MD									
4,564.17	0.00	0.00	4,507.00	-305.58	-358.18	470.82	1.50	-1.50	0.00
4,600.00	0.00	0.00	4,542.83	-305.58	-358.18	470.82	0.00	0.00	0.00
4,700.00	0.00	0.00	4,642.83	-305.58	-358.18	470.82	0.00	0.00	0.00
4,800.00	0.00	0.00	4,742.83	-305.58	-358.18	470.82	0.00	0.00	0.00
4,900.00	0.00	0.00	4,842.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,000.00	0.00	0.00	4,942.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,100.00	0.00	0.00	5,042.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,200.00	0.00	0.00	5,142.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,300.00	0.00	0.00	5,242.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,400.00	0.00	0.00	5,342.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,500.00	0.00	0.00	5,442.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,600.00	0.00	0.00	5,542.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,700.00	0.00	0.00	5,642.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,800.00	0.00	0.00	5,742.83	-305.58	-358.18	470.82	0.00	0.00	0.00
5,900.00	0.00	0.00	5,842.83	-305.58	-358.18	470.82	0.00	0.00	0.00
6,000.00	0.00	0.00	5,942.83	-305.58	-358.18	470.82	0.00	0.00	0.00
6,100.00	0.00	0.00	6,042.83	-305.58	-358.18	470.82	0.00	0.00	0.00
6,200.00	0.00	0.00	6,142.83	-305.58	-358.18	470.82	0.00	0.00	0.00
6,300.00	0.00	0.00	6,242.83	-305.58	-358.18	470.82	0.00	0.00	0.00
6,400.00	0.00	0.00	6,342.83	-305.58	-358.18	470.82	0.00	0.00	0.00

Database:	EDM 2003.21 Single User Db	**Local Co-ordinate Reference:**	Site Bonanza 1023-10A PAD
Company:	ANADARKO PETROLEUM CORP.	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Project:	UINTAH COUNTY, UTAH (nad 27)	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site:	Bonanza 1023-10A PAD	**North Reference:**	True
Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Bonanza 1023-10H1BS		
Design:	Design #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
6,500.00	0.00	0.00	6,442.83	-305.58	-358.18	470.82	0.00	0.00	0.00
6,600.00	0.00	0.00	6,542.83	-305.58	-358.18	470.82	0.00	0.00	0.00
6,700.00	0.00	0.00	6,642.83	-305.58	-358.18	470.82	0.00	0.00	0.00
6,800.00	0.00	0.00	6,742.83	-305.58	-358.18	470.82	0.00	0.00	0.00
Mesaverde									
6,875.17	0.00	0.00	6,818.00	-305.58	-358.18	470.82	0.00	0.00	0.00
6,900.00	0.00	0.00	6,842.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,000.00	0.00	0.00	6,942.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,100.00	0.00	0.00	7,042.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,200.00	0.00	0.00	7,142.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,300.00	0.00	0.00	7,242.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,400.00	0.00	0.00	7,342.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,500.00	0.00	0.00	7,442.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,600.00	0.00	0.00	7,542.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,700.00	0.00	0.00	7,642.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,800.00	0.00	0.00	7,742.83	-305.58	-358.18	470.82	0.00	0.00	0.00
7,900.00	0.00	0.00	7,842.83	-305.58	-358.18	470.82	0.00	0.00	0.00
PBHL_Bonanza 1023-10H1BS_NEW									
7,957.17	0.00	0.00	7,900.00	-305.58	-358.18	470.82	0.00	0.00	0.00

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
PBHL_Bonanza 1023 - plan hits target center - Circle (radius 25.00)	0.00	0.00	7,900.00	-305.58	-358.18	14,518,388.81	2,115,326.28	39° 57' 59.699 N	109° 18' 18.421 W

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)
2,000.00	2,000.00	9 5/8"	9.62	12.25

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
981.00	981.00	Green River			
4,062.73	4,007.00	Wasatch			
6,875.17	6,818.00	Mesaverde			

Database:	EDM 2003.21 Single User Db	**Local Co-ordinate Reference:**	Site Bonanza 1023-10A PAD
Company:	ANADARKO PETROLEUM CORP.	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Project:	UINTAH COUNTY, UTAH (nad 27)	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site:	Bonanza 1023-10A PAD	**North Reference:**	True
Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Bonanza 1023-10H1BS		
Design:	Design #1		

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
2,000.00	2,000.00	0.00	0.00	Start Build 2.00
2,901.48	2,886.67	-91.30	-107.01	Start 460.72 hold at 2901.48 MD
3,362.20	3,324.77	-183.85	-215.50	Start Drop -1.50
4,564.17	4,507.00	-305.58	-358.18	Start 3393.00 hold at 4564.17 MD
7,957.17	7,900.00	-305.58	-358.18	TD at 7957.17

Anadarko Petroleum Corporation

ANADARKO PETROLEUM CORP.

UINTAH COUNTY, UTAH (nad 27)
Bonanza 1023-10A PAD
Bonanza 1023-10H1BS

Bonanza 1023-10H1BS
Design #1

Anticollision Report

23 January, 2009

Weatherford®

'APIWellNo:43047505170000'

Weatherford International Ltd.

Anticollision Report

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Reference Design #1

Filter type:	NO GLOBAL FILTER: Using user defined selection & filtering criteria		
Interpolation Method:	Stations	**Error Model:**	ISCWSA
Depth Range:	Unlimited	**Scan Method:**	Closest Approach 3D
Results Limited by:	Maximum center-center distance of 10,000.00ft	**Error Surface:**	Elliptical Conic
Warning Levels Evaluated at:	2.00 **Sigma**		

Survey Tool Program **Date** 1/22/2009

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
0.00	7,957.17	Design #1 (Bonanza 1023-10H1BS)	MWD	MWD - Standard

Summary

Site Name Offset Well - Wellbore - Design	Reference Measured Depth (ft)	Offset Measured Depth (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Separation Factor	Warning
Bonanza 1023-10A PAD						
BONANZA 1023-10A EXISTING - BONANZA 1023-10A I	0.00	0.00	80.35			
BONANZA 1023-10A EXISTING - BONANZA 1023-10A I	1,400.00	1,400.00	82.82	76.89	13.964	ES
BONANZA 1023-10A EXISTING - BONANZA 1023-10A I	2,100.00	2,100.30	93.41	84.28	10.228	SF
Bonanza 1023-10A2DS - Bonanza 1023-10A2DS - Desig	2,000.00	2,000.00	59.98	51.26	6.875	CC, ES
Bonanza 1023-10A2DS - Bonanza 1023-10A2DS - Desig	2,100.00	2,099.80	61.85	52.71	6.764	SF
Bonanza 1023-10A4DS - Bonanza 1023-10A4DS - Desig	2,000.00	2,000.00	19.99	11.27	2.291	CC, ES, SF
Bonanza 1023-10H2DS - Bonanza 1023-10H2DS - Desig	2,538.17	2,545.38	25.74	14.87	2.367	CC, ES, SF

Offset Design Bonanza 1023-10A PAD - BONANZA 1023-10A EXISTING - BONANZA 1023-10A EXISTING - BONANZ **Offset Site Error:** 0.00 ft

Survey Program: 100-NS-GYRO-MS **Offset Well Error:** 0.00 ft

Reference Measured Depth (ft)	Reference Vertical Depth (ft)	Offset Measured Depth (ft)	Offset Vertical Depth (ft)	Semi Major Axis Reference (ft)	Semi Major Axis Offset (ft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (ft)	Offset Wellbore Centre +E/-W (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
0.00	0.00	0.00	0.00	0.00	0.00	51.02	50.54	62.46	80.35				
100.00	100.00	99.48	99.47	0.09	0.11	50.82	50.97	62.53	80.68	80.47	0.20	401.357	
200.00	200.00	199.74	199.74	0.32	0.37	50.51	51.62	62.64	81.17	80.48	0.69	117.528	
300.00	300.00	299.87	299.87	0.54	0.55	50.55	51.73	62.86	81.41	80.31	1.10	74.306	
400.00	400.00	399.93	399.92	0.77	0.71	50.84	51.49	63.22	81.54	80.07	1.47	55.309	
500.00	500.00	499.75	499.74	0.99	0.93	51.09	51.34	63.61	81.75	79.83	1.92	42.650	
600.00	600.00	599.77	599.76	1.22	1.16	51.49	51.09	64.20	82.04	79.66	2.38	34.466	
700.00	700.00	699.47	699.45	1.44	1.41	51.97	50.83	65.00	82.52	79.67	2.85	28.937	
800.00	800.00	800.00	799.98	1.67	1.65	52.32	50.65	65.58	82.86	79.55	3.32	24.979	
885.02	885.02	885.06	885.04	1.86	1.84	52.69	50.23	65.90	82.86	79.16	3.70	22.402	
900.00	900.00	900.00	899.98	1.89	1.88	52.77	50.13	65.98	82.86	79.09	3.77	22.002	
1,000.00	1,000.00	999.38	999.36	2.12	2.11	53.21	49.84	66.65	83.23	79.00	4.23	19.678	
1,100.00	1,100.00	1,100.40	1,100.38	2.34	2.33	53.61	49.47	67.13	83.39	78.72	4.67	17.856	
1,200.00	1,200.00	1,200.14	1,200.11	2.56	2.53	54.01	48.83	67.23	83.09	78.00	5.09	16.322	
1,300.00	1,300.00	1,300.32	1,300.29	2.79	2.71	54.24	48.42	67.23	82.85	77.35	5.50	15.063	
1,346.89	1,346.89	1,346.95	1,346.93	2.89	2.81	54.32	48.26	67.22	82.75	77.05	5.70	14.513	
1,400.00	1,400.00	1,400.00	1,399.97	3.01	2.92	54.43	48.17	67.37	82.82	76.89	5.93	13.964	ES
1,500.00	1,500.00	1,498.62	1,498.59	3.24	3.15	54.67	48.46	68.36	83.81	77.42	6.39	13.121	
1,600.00	1,600.00	1,598.56	1,598.52	3.46	3.37	54.86	49.22	69.93	85.53	78.70	6.83	12.524	
1,700.00	1,700.00	1,698.76	1,698.70	3.69	3.60	55.23	49.69	71.57	87.14	79.85	7.29	11.955	
1,800.00	1,800.00	1,798.57	1,798.49	3.91	3.84	55.65	50.06	73.25	88.73	80.98	7.76	11.441	

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation

Weatherford International Ltd.

Anticollision Report

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Offset Design Bonanza 1023-10A PAD - BONANZA 1023-10A EXISTING - BONANZA 1023-10A EXISTING - BONAN

Offset Site Error: 0.00 ft

Survey Program: 100-NS-GYRO-MS

Offset Well Error: 0.00 ft

Reference Measured Depth (ft)	Reference Vertical Depth (ft)	Offset Measured Depth (ft)	Offset Vertical Depth (ft)	Semi Major Axis Reference (ft)	Semi Major Axis Offset (ft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (ft)	Offset Wellbore Centre +E/-W (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
1,900.00	1,900.00	1,898.67	1,898.58	4.14	4.09	56.01	50.52	74.92	90.37	82.15	8.22	10.988	
2,000.00	2,000.00	1,999.53	1,999.42	4.36	4.34	56.91	49.94	76.63	91.47	82.77	8.70	10.512	
2,100.00	2,099.98	2,100.30	2,100.16	4.56	4.58	-171.31	48.06	78.08	93.41	84.28	9.13	10.228	SF
2,200.00	2,199.84	2,200.28	2,200.11	4.75	4.80	-170.10	45.52	79.34	98.34	88.82	9.52	10.330	
2,300.00	2,299.45	2,299.64	2,299.40	4.94	5.03	-169.01	42.47	80.98	106.80	96.90	9.91	10.782	
2,400.00	2,398.70	2,398.77	2,398.47	5.14	5.26	-168.30	39.32	82.88	118.88	108.59	10.29	11.553	
2,500.00	2,497.47	2,498.02	2,497.66	5.37	5.50	-168.19	36.49	84.47	134.23	123.56	10.67	12.585	
2,600.00	2,595.62	2,596.30	2,595.89	5.62	5.73	-168.44	33.79	85.79	152.76	141.73	11.03	13.850	
2,700.00	2,693.06	2,691.80	2,691.34	5.92	5.97	-168.79	31.33	87.58	175.21	163.81	11.39	15.380	
2,800.00	2,789.64	2,789.31	2,788.80	6.25	6.22	-169.22	29.00	89.79	201.39	189.63	11.76	17.130	
2,901.48	2,886.67	2,887.54	2,886.99	6.65	6.46	-169.78	26.63	91.33	230.75	218.64	12.11	19.054	
3,000.00	2,980.36	2,981.07	2,980.48	7.08	6.69	-170.33	24.22	92.63	260.71	248.15	12.56	20.757	
3,100.00	3,075.45	3,076.72	3,076.07	7.55	6.93	-170.67	21.34	94.28	291.19	278.16	13.03	22.352	
3,200.00	3,170.54	3,172.74	3,172.04	8.04	7.17	-170.95	18.34	95.75	321.45	307.95	13.50	23.807	
3,300.00	3,265.63	3,268.99	3,268.23	8.56	7.40	-171.20	15.28	96.98	351.49	337.51	13.98	25.146	
3,362.20	3,324.77	3,328.95	3,328.15	8.88	7.54	-171.35	13.42	97.57	370.05	355.77	14.27	25.923	
3,400.00	3,360.77	3,365.47	3,364.66	9.07	7.63	-171.47	12.30	97.85	381.10	366.61	14.49	26.301	
3,500.00	3,456.55	3,461.24	3,460.38	9.49	7.86	-171.72	9.44	98.49	408.57	393.52	15.05	27.139	
3,600.00	3,553.04	3,556.78	3,555.88	9.90	8.09	-171.89	6.67	99.35	433.79	418.18	15.61	27.784	
3,700.00	3,650.19	3,654.18	3,653.24	10.30	8.32	-171.98	3.91	100.44	456.70	440.53	16.17	28.245	
3,800.00	3,747.92	3,753.33	3,752.34	10.68	8.56	-172.02	1.03	101.34	476.87	460.15	16.72	28.522	
3,900.00	3,846.18	3,851.53	3,850.50	11.04	8.81	-172.02	-1.90	102.08	494.33	477.07	17.26	28.645	
4,000.00	3,944.88	3,948.74	3,947.65	11.37	9.05	-171.95	-4.87	103.16	509.49	491.71	17.78	28.653	
4,100.00	4,043.98	4,047.35	4,046.20	11.68	9.30	-171.81	-7.92	104.60	522.35	504.06	18.30	28.549	
4,200.00	4,143.39	4,147.55	4,146.35	11.95	9.55	-171.65	-10.93	105.92	532.57	513.77	18.80	28.322	
4,300.00	4,243.05	4,246.56	4,245.31	12.20	9.81	-171.46	-13.82	107.08	540.14	520.85	19.29	27.997	
4,400.00	4,342.89	4,344.10	4,342.78	12.42	10.06	-171.19	-16.94	108.78	545.48	525.72	19.76	27.599	
4,500.00	4,442.84	4,443.66	4,442.26	12.61	10.32	-170.80	-20.46	111.13	548.60	528.38	20.23	27.124	
4,564.17	4,507.00	4,509.29	4,507.83	12.71	10.49	59.02	-22.91	112.59	549.12	528.61	20.51	26.770	
4,600.00	4,542.83	4,545.95	4,544.45	12.77	10.58	59.18	-24.32	113.34	549.04	528.36	20.68	26.550	
4,700.00	4,642.83	4,647.14	4,645.54	12.93	10.85	59.65	-28.36	115.21	548.59	527.44	21.16	25.931	
4,800.00	4,742.83	4,747.07	4,745.36	13.10	11.11	60.14	-32.72	117.18	548.12	526.49	21.63	25.341	
4,900.00	4,842.83	4,847.28	4,845.43	13.27	11.37	60.68	-37.43	119.34	547.66	525.56	22.11	24.774	
5,000.00	4,942.83	4,947.83	4,945.84	13.44	11.63	61.23	-42.26	121.43	547.15	524.57	22.58	24.227	
5,100.00	5,042.83	5,047.00	5,044.87	13.61	11.89	61.77	-47.04	123.43	546.63	523.57	23.06	23.703	
5,183.35	5,126.19	5,128.42	5,126.19	13.75	12.10	62.22	-50.86	125.29	546.47	523.01	23.46	23.297	
5,200.00	5,142.83	5,144.68	5,142.43	13.78	12.14	62.31	-51.61	125.69	546.48	522.94	23.54	23.219	
5,300.00	5,242.83	5,243.76	5,241.36	13.96	12.40	62.85	-56.09	128.29	546.72	522.71	24.02	22.766	
5,400.00	5,342.83	5,344.64	5,342.11	14.13	12.67	63.40	-60.70	130.85	546.92	522.42	24.50	22.322	
5,500.00	5,442.83	5,445.07	5,442.40	14.31	12.93	63.95	-65.38	133.26	547.00	522.02	24.99	21.891	
5,600.00	5,542.83	5,544.95	5,542.14	14.49	13.20	64.50	-70.04	135.62	547.11	521.64	25.47	21.479	
5,700.00	5,642.83	5,645.15	5,642.21	14.67	13.46	65.05	-74.70	137.97	547.24	521.29	25.96	21.083	
5,800.00	5,742.83	5,745.77	5,742.71	14.85	13.73	65.57	-79.26	140.15	547.31	520.87	26.44	20.697	
5,852.28	5,795.12	5,798.39	5,795.26	14.94	13.86	65.84	-81.59	141.20	547.31	520.62	26.70	20.500	
5,900.00	5,842.83	5,844.74	5,841.56	15.03	13.99	66.08	-83.62	142.15	547.36	520.43	26.93	20.328	
6,000.00	5,942.83	5,941.74	5,938.44	15.21	14.24	66.58	-87.82	144.54	547.88	520.47	27.40	19.992	
6,100.00	6,042.83	6,039.41	6,035.97	15.40	14.50	67.10	-91.96	147.44	548.94	521.05	27.89	19.685	
6,200.00	6,142.83	6,138.09	6,134.52	15.58	14.77	67.62	-96.03	150.61	550.32	521.95	28.37	19.396	
6,300.00	6,242.83	6,236.87	6,233.17	15.77	15.03	68.13	-99.97	153.96	551.96	523.10	28.86	19.125	
6,400.00	6,342.83	6,335.82	6,331.98	15.96	15.29	68.63	-103.80	157.45	553.81	524.47	29.35	18.871	
6,500.00	6,442.83	6,435.67	6,431.70	16.15	15.56	69.12	-107.51	161.06	555.85	526.01	29.84	18.630	
6,600.00	6,542.83	6,537.25	6,533.17	16.33	15.83	69.57	-110.91	164.37	557.72	527.39	30.33	18.389	

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation

Weatherford International Ltd.

Anticollision Report

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Offset Design Bonanza 1023-10A PAD - BONANZA 1023-10A EXISTING - BONANZA 1023-10A EXISTING - BONAN

Offset Site Error: 0.00 ft

Survey Program: 100-NS-GYRO-MS

Offset Well Error: 0.00 ft

Reference Measured Depth (ft)	Reference Vertical Depth (ft)	Offset Measured Depth (ft)	Offset Vertical Depth (ft)	Semi Major Axis Reference (ft)	Semi Major Axis Offset (ft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (ft)	Offset Wellbore Centre +E/-W (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
6,700.00	6,642.83	6,639.60	6,635.43	16.52	16.10	69.96	-113.92	167.19	559.29	528.47	30.82	18.146	
6,800.00	6,742.83	6,743.10	6,738.86	16.72	16.38	70.33	-117.01	169.42	560.30	528.99	31.32	17.892	
6,900.00	6,842.83	6,843.51	6,839.21	16.91	16.64	70.69	-120.13	171.09	560.83	529.03	31.80	17.634	
7,000.00	6,942.83	6,940.12	6,935.75	17.10	16.90	71.04	-123.04	173.07	561.78	529.50	32.28	17.404	
7,100.00	7,042.83	7,040.28	7,035.84	17.29	17.16	71.40	-125.93	175.58	563.23	530.47	32.76	17.191	
7,200.00	7,142.83	7,146.31	7,141.81	17.49	17.43	71.75	-129.02	177.41	563.94	530.69	33.26	16.956	
7,300.00	7,242.83	7,248.84	7,244.29	17.68	17.70	72.07	-132.04	178.19	563.75	530.01	33.74	16.708	
7,400.00	7,342.83	7,347.79	7,343.20	17.88	17.95	72.35	-134.69	178.87	563.59	529.37	34.21	16.473	
7,402.58	7,345.42	7,350.00	7,345.41	17.88	17.95	72.35	-134.75	178.89	563.59	529.36	34.22	16.467	
7,500.00	7,442.83	7,350.00	7,345.41	18.08	17.95	72.35	-134.75	178.89	571.94	537.51	34.43	16.610	
7,600.00	7,542.83	7,350.00	7,345.41	18.27	17.95	72.35	-134.75	178.89	597.16	562.52	34.65	17.236	
7,700.00	7,642.83	7,350.00	7,345.41	18.47	17.95	72.35	-134.75	178.89	637.25	602.39	34.86	18.279	
7,800.00	7,742.83	7,350.00	7,345.41	18.67	17.95	72.35	-134.75	178.89	689.62	654.54	35.08	19.660	
7,900.00	7,842.83	7,350.00	7,345.41	18.87	17.95	72.35	-134.75	178.89	751.70	716.41	35.29	21.300	
7,957.17	7,900.00	7,350.00	7,345.41	18.98	17.95	72.35	-134.75	178.89	790.69	755.28	35.41	22.327	

Weatherford International Ltd.

Anticollision Report

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Offset Design Bonanza 1023-10A PAD - Bonanza 1023-10A2DS - Bonanza 1023-10A2DS - Design #1

Offset Site Error: 0.00 ft

Survey Program: 0-MWD

Offset Well Error: 0.00 ft

Reference Measured Depth (ft)	Reference Vertical Depth (ft)	Offset Measured Depth (ft)	Offset Vertical Depth (ft)	Semi Major Axis Reference (ft)	Semi Major Axis Offset (ft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (ft)	Offset Wellbore Centre +E/-W (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
0.00	0.00	0.00	0.00	0.00	0.00	51.29	37.52	46.80	59.98				
100.00	100.00	100.00	100.00	0.09	0.09	51.29	37.52	46.80	59.98	59.80	0.18	325.452	
200.00	200.00	200.00	200.00	0.32	0.32	51.29	37.52	46.80	59.98	59.35	0.63	94.635	
300.00	300.00	300.00	300.00	0.54	0.54	51.29	37.52	46.80	59.98	58.90	1.08	55.367	
400.00	400.00	400.00	400.00	0.77	0.77	51.29	37.52	46.80	59.98	58.45	1.53	39.131	
500.00	500.00	500.00	500.00	0.99	0.99	51.29	37.52	46.80	59.98	58.00	1.98	30.257	
600.00	600.00	600.00	600.00	1.22	1.22	51.29	37.52	46.80	59.98	57.55	2.43	24.665	
700.00	700.00	700.00	700.00	1.44	1.44	51.29	37.52	46.80	59.98	57.10	2.88	20.817	
800.00	800.00	800.00	800.00	1.67	1.67	51.29	37.52	46.80	59.98	56.65	3.33	18.007	
900.00	900.00	900.00	900.00	1.89	1.89	51.29	37.52	46.80	59.98	56.20	3.78	15.866	
1,000.00	1,000.00	1,000.00	1,000.00	2.12	2.12	51.29	37.52	46.80	59.98	55.75	4.23	14.180	
1,100.00	1,100.00	1,100.00	1,100.00	2.34	2.34	51.29	37.52	46.80	59.98	55.30	4.68	12.818	
1,200.00	1,200.00	1,200.00	1,200.00	2.56	2.56	51.29	37.52	46.80	59.98	54.85	5.13	11.695	
1,300.00	1,300.00	1,300.00	1,300.00	2.79	2.79	51.29	37.52	46.80	59.98	54.40	5.58	10.752	
1,400.00	1,400.00	1,400.00	1,400.00	3.01	3.01	51.29	37.52	46.80	59.98	53.96	6.03	9.950	
1,500.00	1,500.00	1,500.00	1,500.00	3.24	3.24	51.29	37.52	46.80	59.98	53.51	6.48	9.260	
1,600.00	1,600.00	1,600.00	1,600.00	3.46	3.46	51.29	37.52	46.80	59.98	53.06	6.93	8.659	
1,700.00	1,700.00	1,700.00	1,700.00	3.69	3.69	51.29	37.52	46.80	59.98	52.61	7.38	8.131	
1,800.00	1,800.00	1,800.00	1,800.00	3.91	3.91	51.29	37.52	46.80	59.98	52.16	7.83	7.664	
1,900.00	1,900.00	1,900.00	1,900.00	4.14	4.14	51.29	37.52	46.80	59.98	51.71	8.28	7.248	
2,000.00	2,000.00	2,000.00	2,000.00	4.36	4.36	51.29	37.52	46.80	59.98	51.26	8.73	6.875	CC, ES
2,100.00	2,099.98	2,099.80	2,099.76	4.56	4.59	179.29	39.59	45.23	61.85	52.71	9.14	6.764	SF
2,200.00	2,199.84	2,198.91	2,198.56	4.75	4.81	172.80	45.75	40.54	68.06	58.53	9.53	7.140	
2,300.00	2,299.45	2,296.67	2,295.47	4.94	5.04	164.49	55.82	32.88	79.88	69.96	9.93	8.046	
2,400.00	2,398.70	2,392.44	2,389.68	5.14	5.28	156.48	69.49	22.48	98.30	87.96	10.34	9.506	
2,500.00	2,497.47	2,485.69	2,480.47	5.37	5.54	149.83	86.41	9.62	123.53	112.76	10.78	11.464	
2,600.00	2,595.62	2,575.94	2,567.25	5.62	5.85	144.65	106.11	-5.37	155.32	144.09	11.24	13.824	
2,700.00	2,693.06	2,662.82	2,649.59	5.92	6.19	140.65	128.15	-22.13	193.22	181.49	11.72	16.481	
2,800.00	2,789.64	2,746.04	2,727.21	6.25	6.57	137.52	152.03	-40.29	236.74	224.50	12.25	19.330	
2,901.48	2,886.67	2,826.54	2,800.98	6.65	7.00	134.95	177.67	-59.79	286.21	273.40	12.81	22.340	
3,000.00	2,980.36	2,900.00	2,867.06	7.08	7.45	133.55	203.20	-79.21	337.96	324.52	13.44	25.141	
3,100.00	3,075.45	2,974.07	2,932.39	7.55	7.96	132.13	230.98	-100.33	393.04	378.91	14.13	27.810	
3,200.00	3,170.54	3,056.22	3,004.10	8.04	8.59	130.77	262.89	-124.60	449.45	434.56	14.89	30.179	
3,300.00	3,265.63	3,138.38	3,075.81	8.56	9.25	129.71	294.79	-148.87	505.99	490.32	15.67	32.289	
3,362.20	3,324.77	3,189.48	3,120.41	8.88	9.67	129.17	314.64	-163.96	541.21	525.05	16.17	33.478	
3,400.00	3,360.77	3,220.59	3,147.56	9.07	9.94	129.15	326.72	-173.15	562.54	546.06	16.48	34.132	
3,500.00	3,456.55	3,303.40	3,219.85	9.49	10.65	129.04	358.89	-197.61	618.06	600.78	17.29	35.750	
3,600.00	3,553.04	3,386.91	3,292.74	9.90	11.39	128.84	391.32	-222.28	672.33	654.22	18.11	37.124	
3,700.00	3,650.19	3,471.05	3,366.19	10.30	12.15	128.58	424.00	-247.13	725.34	706.41	18.94	38.307	
3,800.00	3,747.92	3,555.79	3,440.15	10.68	12.92	128.25	456.91	-272.16	777.14	757.38	19.75	39.339	
3,900.00	3,846.18	3,641.04	3,514.57	11.04	13.71	127.88	490.02	-297.34	827.74	807.18	20.56	40.254	
4,000.00	3,944.88	3,757.50	3,617.20	11.37	14.64	127.15	533.82	-330.66	876.02	854.61	21.41	40.917	
4,100.00	4,043.98	3,890.28	3,737.39	11.68	15.57	126.43	578.69	-364.78	919.08	896.85	22.23	41.343	
4,200.00	4,143.39	4,030.77	3,867.90	11.95	16.44	125.80	620.04	-396.23	956.34	933.33	23.02	41.548	
4,300.00	4,243.05	4,178.37	4,008.16	12.20	17.24	125.26	656.55	-424.00	987.32	963.57	23.76	41.560	
4,400.00	4,342.89	4,332.16	4,157.13	12.42	17.93	124.78	686.87	-447.06	1,011.59	987.16	24.43	41.414	
4,500.00	4,442.84	4,490.91	4,313.23	12.61	18.49	124.36	709.75	-464.46	1,028.77	1,003.75	25.02	41.125	
4,564.17	4,507.00	4,594.70	4,416.20	12.71	18.77	-6.35	720.03	-472.28	1,035.93	1,010.59	25.34	40.882	
4,600.00	4,542.83	4,653.12	4,474.39	12.77	18.90	-6.50	724.19	-475.44	1,038.68	1,013.19	25.49	40.743	
4,700.00	4,642.83	4,817.13	4,638.22	12.93	19.16	-6.68	729.53	-479.50	1,042.21	1,016.29	25.92	40.215	
4,800.00	4,742.83	4,921.74	4,742.83	13.10	19.27	-6.69	729.55	-479.52	1,042.22	1,015.98	26.24	39.712	
4,900.00	4,842.83	5,021.74	4,842.83	13.27	19.38	-6.69	729.55	-479.52	1,042.22	1,015.64	26.58	39.211	

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation

Weatherford International Ltd.

Anticollision Report

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Offset Design Bonanza 1023-10A PAD - Bonanza 1023-10A2DS - Bonanza 1023-10A2DS - Design #1

Offset Site Error: 0.00 ft

Survey Program: 0-MWD

Offset Well Error: 0.00 ft

Reference Measured Depth (ft)	Reference Vertical Depth (ft)	Offset Measured Depth (ft)	Offset Vertical Depth (ft)	Semi Major Axis Reference (ft)	Semi Major Axis Offset (ft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (ft)	Offset Wellbore Centre +E/-W (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
5,000.00	4,942.83	5,121.74	4,942.83	13.44	19.50	-6.69	729.55	-479.52	1,042.22	1,015.30	26.92	38.718	
5,100.00	5,042.83	5,221.74	5,042.83	13.61	19.62	-6.69	729.55	-479.52	1,042.22	1,014.96	27.26	38.233	
5,200.00	5,142.83	5,321.74	5,142.83	13.78	19.74	-6.69	729.55	-479.52	1,042.22	1,014.62	27.60	37.755	
5,300.00	5,242.83	5,421.74	5,242.83	13.96	19.86	-6.69	729.55	-479.52	1,042.22	1,014.27	27.95	37.285	
5,400.00	5,342.83	5,521.74	5,342.83	14.13	19.99	-6.69	729.55	-479.52	1,042.22	1,013.92	28.30	36.824	
5,500.00	5,442.83	5,621.74	5,442.83	14.31	20.11	-6.69	729.55	-479.52	1,042.22	1,013.56	28.66	36.370	
5,600.00	5,542.83	5,721.74	5,542.83	14.49	20.24	-6.69	729.55	-479.52	1,042.22	1,013.21	29.01	35.923	
5,700.00	5,642.83	5,821.74	5,642.83	14.67	20.37	-6.69	729.55	-479.52	1,042.22	1,012.85	29.37	35.485	
5,800.00	5,742.83	5,921.74	5,742.83	14.85	20.50	-6.69	729.55	-479.52	1,042.22	1,012.49	29.73	35.054	
5,900.00	5,842.83	6,021.74	5,842.83	15.03	20.64	-6.69	729.55	-479.52	1,042.22	1,012.13	30.09	34.631	
6,000.00	5,942.83	6,121.74	5,942.83	15.21	20.77	-6.69	729.55	-479.52	1,042.22	1,011.76	30.46	34.216	
6,100.00	6,042.83	6,221.74	6,042.83	15.40	20.91	-6.69	729.55	-479.52	1,042.22	1,011.39	30.83	33.807	
6,200.00	6,142.83	6,321.74	6,142.83	15.58	21.04	-6.69	729.55	-479.52	1,042.22	1,011.02	31.20	33.407	
6,300.00	6,242.83	6,421.74	6,242.83	15.77	21.18	-6.69	729.55	-479.52	1,042.22	1,010.65	31.57	33.013	
6,400.00	6,342.83	6,521.74	6,342.83	15.96	21.32	-6.69	729.55	-479.52	1,042.22	1,010.28	31.94	32.627	
6,500.00	6,442.83	6,621.74	6,442.83	16.15	21.47	-6.69	729.55	-479.52	1,042.22	1,009.90	32.32	32.247	
6,600.00	6,542.83	6,721.74	6,542.83	16.33	21.61	-6.69	729.55	-479.52	1,042.22	1,009.52	32.70	31.875	
6,700.00	6,642.83	6,821.74	6,642.83	16.52	21.75	-6.69	729.55	-479.52	1,042.22	1,009.14	33.08	31.509	
6,800.00	6,742.83	6,921.74	6,742.83	16.72	21.90	-6.69	729.55	-479.52	1,042.22	1,008.76	33.46	31.150	
6,900.00	6,842.83	7,021.74	6,842.83	16.91	22.05	-6.69	729.55	-479.52	1,042.22	1,008.38	33.84	30.798	
7,000.00	6,942.83	7,121.74	6,942.83	17.10	22.20	-6.69	729.55	-479.52	1,042.22	1,008.00	34.23	30.452	
7,100.00	7,042.83	7,221.74	7,042.83	17.29	22.35	-6.69	729.55	-479.52	1,042.22	1,007.61	34.61	30.112	
7,200.00	7,142.83	7,321.74	7,142.83	17.49	22.50	-6.69	729.55	-479.52	1,042.22	1,007.22	35.00	29.779	
7,300.00	7,242.83	7,421.74	7,242.83	17.68	22.65	-6.69	729.55	-479.52	1,042.22	1,006.83	35.39	29.452	
7,400.00	7,342.83	7,521.74	7,342.83	17.88	22.80	-6.69	729.55	-479.52	1,042.22	1,006.44	35.78	29.130	
7,500.00	7,442.83	7,621.74	7,442.83	18.08	22.96	-6.69	729.55	-479.52	1,042.22	1,006.05	36.17	28.815	
7,600.00	7,542.83	7,721.74	7,542.83	18.27	23.11	-6.69	729.55	-479.52	1,042.22	1,005.66	36.56	28.505	
7,700.00	7,642.83	7,821.74	7,642.83	18.47	23.27	-6.69	729.55	-479.52	1,042.22	1,005.26	36.96	28.201	
7,800.00	7,742.83	7,921.74	7,742.83	18.67	23.43	-6.69	729.55	-479.52	1,042.22	1,004.87	37.35	27.903	
7,900.00	7,842.83	8,021.74	7,842.83	18.87	23.59	-6.69	729.55	-479.52	1,042.22	1,004.47	37.75	27.609	
7,957.17	7,900.00	8,078.91	7,900.00	18.98	23.68	-6.69	729.55	-479.52	1,042.22	1,004.24	37.98	27.444	

'APIWellNo:43047505170000'

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Offset Design Bonanza 1023-10A PAD - Bonanza 1023-10A4DS - Bonanza 1023-10A4DS - Design #1

Offset Site Error: 0.00 ft

Survey Program: 0-MWD

Offset Well Error: 0.00 ft

Reference Measured Depth (ft)	Reference Vertical Depth (ft)	Offset Measured Depth (ft)	Offset Vertical Depth (ft)	Semi Major Axis Reference (ft)	Semi Major Axis Offset (ft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (ft)	Offset Wellbore Centre +E/-W (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
0.00	0.00	0.00	0.00	0.00	0.00	51.73	12.38	15.69	19.99				
100.00	100.00	100.00	100.00	0.09	0.09	51.73	12.38	15.69	19.99	19.81	0.18	108.471	
200.00	200.00	200.00	200.00	0.32	0.32	51.73	12.38	15.69	19.99	19.36	0.63	31.541	
300.00	300.00	300.00	300.00	0.54	0.54	51.73	12.38	15.69	19.99	18.91	1.08	18.454	
400.00	400.00	400.00	400.00	0.77	0.77	51.73	12.38	15.69	19.99	18.46	1.53	13.042	
500.00	500.00	500.00	500.00	0.99	0.99	51.73	12.38	15.69	19.99	18.01	1.98	10.085	
600.00	600.00	600.00	600.00	1.22	1.22	51.73	12.38	15.69	19.99	17.56	2.43	8.221	
700.00	700.00	700.00	700.00	1.44	1.44	51.73	12.38	15.69	19.99	17.11	2.88	6.938	
800.00	800.00	800.00	800.00	1.67	1.67	51.73	12.38	15.69	19.99	16.66	3.33	6.002	
900.00	900.00	900.00	900.00	1.89	1.89	51.73	12.38	15.69	19.99	16.21	3.78	5.288	
1,000.00	1,000.00	1,000.00	1,000.00	2.12	2.12	51.73	12.38	15.69	19.99	15.76	4.23	4.726	
1,100.00	1,100.00	1,100.00	1,100.00	2.34	2.34	51.73	12.38	15.69	19.99	15.31	4.68	4.272	
1,200.00	1,200.00	1,200.00	1,200.00	2.56	2.56	51.73	12.38	15.69	19.99	14.86	5.13	3.898	
1,300.00	1,300.00	1,300.00	1,300.00	2.79	2.79	51.73	12.38	15.69	19.99	14.41	5.58	3.584	
1,400.00	1,400.00	1,400.00	1,400.00	3.01	3.01	51.73	12.38	15.69	19.99	13.96	6.03	3.316	
1,500.00	1,500.00	1,500.00	1,500.00	3.24	3.24	51.73	12.38	15.69	19.99	13.51	6.48	3.086	
1,600.00	1,600.00	1,600.00	1,600.00	3.46	3.46	51.73	12.38	15.69	19.99	13.06	6.93	2.886	
1,700.00	1,700.00	1,700.00	1,700.00	3.69	3.69	51.73	12.38	15.69	19.99	12.62	7.38	2.710	
1,800.00	1,800.00	1,800.00	1,800.00	3.91	3.91	51.73	12.38	15.69	19.99	12.17	7.83	2.554	
1,900.00	1,900.00	1,900.00	1,900.00	4.14	4.14	51.73	12.38	15.69	19.99	11.72	8.28	2.416	
2,000.00	2,000.00	2,000.00	2,000.00	4.36	4.36	51.73	12.38	15.69	19.99	11.27	8.73	2.291	CC, ES, SF
2,100.00	2,099.98	2,099.96	2,099.94	4.56	4.58	177.42	13.71	14.57	21.75	12.61	9.14	2.379	
2,200.00	2,199.84	2,199.56	2,199.40	4.75	4.81	167.05	17.68	11.20	27.68	18.14	9.53	2.903	
2,300.00	2,299.45	2,298.44	2,297.90	4.94	5.03	157.33	24.22	5.64	38.67	28.74	9.93	3.896	
2,400.00	2,398.70	2,396.25	2,394.98	5.14	5.26	150.47	33.24	-2.01	54.93	44.60	10.33	5.317	
2,500.00	2,497.47	2,492.66	2,490.23	5.37	5.50	145.94	44.60	-11.66	76.28	65.53	10.75	7.096	
2,600.00	2,595.62	2,587.37	2,583.26	5.62	5.76	142.91	58.12	-23.14	102.49	91.31	11.19	9.162	
2,700.00	2,693.06	2,681.56	2,675.26	5.92	6.04	140.92	73.54	-36.23	133.08	121.44	11.65	11.425	
2,800.00	2,789.64	2,775.82	2,767.25	6.25	6.34	140.18	89.20	-49.52	166.47	154.34	12.13	13.721	
2,901.48	2,886.67	2,870.50	2,859.66	6.65	6.66	140.18	104.92	-62.88	202.93	190.29	12.64	16.057	
3,000.00	2,980.36	2,961.92	2,948.88	7.08	6.98	140.80	120.11	-75.77	239.60	226.39	13.21	18.135	
3,100.00	3,075.45	3,054.71	3,039.44	7.55	7.32	141.26	135.52	-88.85	276.83	263.01	13.82	20.032	
3,200.00	3,170.54	3,147.50	3,130.00	8.04	7.66	141.62	150.93	-101.94	314.08	299.63	14.45	21.738	
3,300.00	3,265.63	3,240.29	3,220.56	8.56	8.02	141.89	166.34	-115.03	351.34	336.24	15.10	23.273	
3,362.20	3,324.77	3,298.00	3,276.88	8.88	8.24	142.04	175.93	-123.17	374.51	359.01	15.51	24.152	
3,400.00	3,360.77	3,333.13	3,311.17	9.07	8.38	142.24	181.76	-128.12	388.46	372.69	15.77	24.632	
3,500.00	3,456.55	3,426.59	3,402.38	9.49	8.75	142.57	197.29	-141.30	424.03	407.58	16.45	25.772	
3,600.00	3,553.04	3,520.75	3,494.28	9.90	9.13	142.67	212.93	-154.58	457.65	440.51	17.14	26.697	
3,700.00	3,650.19	3,615.55	3,586.81	10.30	9.52	142.58	228.67	-167.95	489.32	471.49	17.83	27.438	
3,800.00	3,747.92	3,710.93	3,679.89	10.68	9.92	142.34	244.51	-181.40	519.04	500.52	18.52	28.025	
3,900.00	3,846.18	3,813.54	3,780.20	11.04	10.30	141.97	260.98	-195.38	546.39	527.21	19.18	28.489	
4,000.00	3,944.88	3,920.10	3,884.93	11.37	10.62	141.67	275.96	-208.10	570.22	550.45	19.77	28.843	
4,100.00	4,043.98	4,028.11	3,991.61	11.68	10.93	141.42	288.87	-219.06	590.39	570.06	20.33	29.040	
4,200.00	4,143.39	4,137.37	4,099.95	11.95	11.22	141.23	299.58	-228.15	606.84	585.98	20.86	29.095	
4,300.00	4,243.05	4,247.63	4,209.66	12.20	11.49	141.07	307.99	-235.29	619.51	598.16	21.35	29.022	
4,400.00	4,342.89	4,358.65	4,320.39	12.42	11.72	140.95	314.01	-240.41	628.35	606.55	21.80	28.829	
4,500.00	4,442.84	4,470.16	4,431.80	12.61	11.93	140.86	317.60	-243.45	633.33	611.13	22.20	28.523	
4,564.17	4,507.00	4,541.85	4,503.47	12.71	12.05	10.34	318.59	-244.29	634.49	612.05	22.44	28.278	
4,600.00	4,542.83	4,581.21	4,542.83	12.77	12.12	10.33	318.70	-244.39	634.57	612.01	22.56	28.122	
4,700.00	4,642.83	4,681.21	4,642.83	12.93	12.29	10.33	318.70	-244.39	634.57	611.63	22.94	27.664	
4,800.00	4,742.83	4,781.21	4,742.83	13.10	12.47	10.33	318.70	-244.39	634.57	611.25	23.32	27.214	
4,900.00	4,842.83	4,881.21	4,842.83	13.27	12.65	10.33	318.70	-244.39	634.57	610.87	23.70	26.776	

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation

Anadarko Petroleum Corporation

Weatherford International Ltd.

Anticollision Report

Weatherford

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Offset Design Bonanza 1023-10A PAD - Bonanza 1023-10A4DS - Bonanza 1023-10A4DS - Design #1

Offset Site Error: 0.00 ft

Survey Program: 0-MWD

Offset Well Error: 0.00 ft

Reference Measured Depth (ft)	Reference Vertical Depth (ft)	Offset Measured Depth (ft)	Offset Vertical Depth (ft)	Semi Major Axis Reference (ft)	Semi Major Axis Offset (ft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (ft)	Offset Wellbore Centre +E/-W (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
5,000.00	4,942.83	4,981.21	4,942.83	13.44	12.83	10.33	318.70	-244.39	634.57	610.49	24.08	26.349	
5,100.00	5,042.83	5,081.21	5,042.83	13.61	13.02	10.33	318.70	-244.39	634.57	610.10	24.47	25.933	
5,200.00	5,142.83	5,181.21	5,142.83	13.78	13.20	10.33	318.70	-244.39	634.57	609.71	24.86	25.527	
5,300.00	5,242.83	5,281.21	5,242.83	13.96	13.39	10.33	318.70	-244.39	634.57	609.32	25.25	25.133	
5,400.00	5,342.83	5,381.21	5,342.83	14.13	13.57	10.33	318.70	-244.39	634.57	608.93	25.64	24.748	
5,500.00	5,442.83	5,481.21	5,442.83	14.31	13.76	10.33	318.70	-244.39	634.57	608.53	26.04	24.373	
5,600.00	5,542.83	5,581.21	5,542.83	14.49	13.95	10.33	318.70	-244.39	634.57	608.14	26.43	24.008	
5,700.00	5,642.83	5,681.21	5,642.83	14.67	14.14	10.33	318.70	-244.39	634.57	607.74	26.83	23.652	
5,800.00	5,742.83	5,781.21	5,742.83	14.85	14.33	10.33	318.70	-244.39	634.57	607.34	27.23	23.305	
5,900.00	5,842.83	5,881.21	5,842.83	15.03	14.53	10.33	318.70	-244.39	634.57	606.94	27.63	22.967	
6,000.00	5,942.83	5,981.21	5,942.83	15.21	14.72	10.33	318.70	-244.39	634.57	606.54	28.03	22.637	
6,100.00	6,042.83	6,081.21	6,042.83	15.40	14.91	10.33	318.70	-244.39	634.57	606.13	28.44	22.316	
6,200.00	6,142.83	6,181.21	6,142.83	15.58	15.11	10.33	318.70	-244.39	634.57	605.73	28.84	22.002	
6,300.00	6,242.83	6,281.21	6,242.83	15.77	15.30	10.33	318.70	-244.39	634.57	605.32	29.25	21.696	
6,400.00	6,342.83	6,381.21	6,342.83	15.96	15.50	10.33	318.70	-244.39	634.57	604.91	29.66	21.398	
6,500.00	6,442.83	6,481.21	6,442.83	16.15	15.70	10.33	318.70	-244.39	634.57	604.51	30.06	21.107	
6,600.00	6,542.83	6,581.21	6,542.83	16.33	15.90	10.33	318.70	-244.39	634.57	604.10	30.47	20.823	
6,700.00	6,642.83	6,681.21	6,642.83	16.52	16.10	10.33	318.70	-244.39	634.57	603.68	30.89	20.546	
6,800.00	6,742.83	6,781.21	6,742.83	16.72	16.29	10.33	318.70	-244.39	634.57	603.27	31.30	20.275	
6,900.00	6,842.83	6,881.21	6,842.83	16.91	16.49	10.33	318.70	-244.39	634.57	602.86	31.71	20.011	
7,000.00	6,942.83	6,981.21	6,942.83	17.10	16.70	10.33	318.70	-244.39	634.57	602.44	32.12	19.753	
7,100.00	7,042.83	7,081.21	7,042.83	17.29	16.90	10.33	318.70	-244.39	634.57	602.03	32.54	19.501	
7,200.00	7,142.83	7,181.21	7,142.83	17.49	17.10	10.33	318.70	-244.39	634.57	601.61	32.96	19.255	
7,300.00	7,242.83	7,281.21	7,242.83	17.68	17.30	10.33	318.70	-244.39	634.57	601.20	33.37	19.014	
7,400.00	7,342.83	7,381.21	7,342.83	17.88	17.50	10.33	318.70	-244.39	634.57	600.78	33.79	18.779	
7,500.00	7,442.83	7,481.21	7,442.83	18.08	17.71	10.33	318.70	-244.39	634.57	600.36	34.21	18.550	
7,600.00	7,542.83	7,581.21	7,542.83	18.27	17.91	10.33	318.70	-244.39	634.57	599.94	34.63	18.325	
7,700.00	7,642.83	7,681.21	7,642.83	18.47	18.12	10.33	318.70	-244.39	634.57	599.52	35.05	18.105	
7,800.00	7,742.83	7,781.21	7,742.83	18.67	18.32	10.33	318.70	-244.39	634.57	599.10	35.47	17.891	
7,900.00	7,842.83	7,881.21	7,842.83	18.87	18.53	10.33	318.70	-244.39	634.57	598.68	35.89	17.681	
7,957.17	7,900.00	7,938.38	7,900.00	18.98	18.64	10.33	318.70	-244.39	634.57	598.44	36.13	17.562	

'APIWellNo:43047505170000'

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Offset Design Bonanza 1023-10A PAD - Bonanza 1023-10H2DS - Bonanza 1023-10H2DS - Design #1

Offset Site Error: 0.00 ft

Survey Program: 0-MWD

Offset Well Error: 0.00 ft

Reference Measured Depth (ft)	Reference Vertical Depth (ft)	Offset Measured Depth (ft)	Offset Vertical Depth (ft)	Semi Major Axis Reference (ft)	Semi Major Axis Offset (ft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (ft)	Offset Wellbore Centre +E/-W (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
0.00	0.00	0.00	0.00	0.00	0.00	50.66	25.50	31.11	40.22				
100.00	100.00	100.00	100.00	0.09	0.09	50.66	25.50	31.11	40.22	40.04	0.18	218.234	
200.00	200.00	200.00	200.00	0.32	0.32	50.66	25.50	31.11	40.22	39.59	0.63	63.458	
300.00	300.00	300.00	300.00	0.54	0.54	50.66	25.50	31.11	40.22	39.14	1.08	37.127	
400.00	400.00	400.00	400.00	0.77	0.77	50.66	25.50	31.11	40.22	38.69	1.53	26.239	
500.00	500.00	500.00	500.00	0.99	0.99	50.66	25.50	31.11	40.22	38.24	1.98	20.289	
600.00	600.00	600.00	600.00	1.22	1.22	50.66	25.50	31.11	40.22	37.79	2.43	16.539	
700.00	700.00	700.00	700.00	1.44	1.44	50.66	25.50	31.11	40.22	37.34	2.88	13.959	
800.00	800.00	800.00	800.00	1.67	1.67	50.66	25.50	31.11	40.22	36.89	3.33	12.075	
900.00	900.00	900.00	900.00	1.89	1.89	50.66	25.50	31.11	40.22	36.44	3.78	10.639	
1,000.00	1,000.00	1,000.00	1,000.00	2.12	2.12	50.66	25.50	31.11	40.22	35.99	4.23	9.509	
1,100.00	1,100.00	1,100.00	1,100.00	2.34	2.34	50.66	25.50	31.11	40.22	35.54	4.68	8.595	
1,200.00	1,200.00	1,200.00	1,200.00	2.56	2.56	50.66	25.50	31.11	40.22	35.09	5.13	7.842	
1,300.00	1,300.00	1,300.00	1,300.00	2.79	2.79	50.66	25.50	31.11	40.22	34.64	5.58	7.210	
1,400.00	1,400.00	1,400.00	1,400.00	3.01	3.01	50.66	25.50	31.11	40.22	34.19	6.03	6.672	
1,500.00	1,500.00	1,500.00	1,500.00	3.24	3.24	50.66	25.50	31.11	40.22	33.74	6.48	6.209	
1,600.00	1,600.00	1,600.00	1,600.00	3.46	3.46	50.66	25.50	31.11	40.22	33.29	6.93	5.806	
1,700.00	1,700.00	1,700.00	1,700.00	3.69	3.69	50.66	25.50	31.11	40.22	32.85	7.38	5.453	
1,800.00	1,800.00	1,800.00	1,800.00	3.91	3.91	50.66	25.50	31.11	40.22	32.40	7.83	5.139	
1,900.00	1,900.00	1,900.00	1,900.00	4.14	4.14	50.66	25.50	31.11	40.22	31.95	8.28	4.860	
2,000.00	2,000.00	2,000.00	2,000.00	4.36	4.36	50.66	25.50	31.11	40.22	31.50	8.73	4.610	
2,100.00	2,099.98	2,102.04	2,102.00	4.56	4.57	-177.85	23.26	29.54	39.40	30.28	9.12	4.319	
2,200.00	2,199.84	2,203.94	2,203.55	4.75	4.75	-174.54	16.59	24.86	37.02	27.55	9.47	3.910	
2,300.00	2,299.45	2,305.52	2,304.22	4.94	4.94	-168.06	5.53	17.11	33.37	23.56	9.81	3.401	
2,400.00	2,398.70	2,406.65	2,403.59	5.14	5.17	-156.58	-9.82	6.35	29.19	19.01	10.17	2.869	
2,500.00	2,497.47	2,507.19	2,501.25	5.37	5.43	-137.69	-29.32	-7.33	26.08	15.45	10.64	2.452	
2,538.17	2,535.01	2,545.38	2,538.00	5.46	5.55	-128.47	-37.83	-13.29	25.74	14.87	10.88	2.367	CC, ES, SF
2,600.00	2,595.62	2,607.01	2,596.84	5.62	5.75	-112.48	-52.83	-23.80	26.79	15.48	11.31	2.369	
2,700.00	2,693.06	2,705.97	2,690.00	5.92	6.14	-89.42	-80.13	-42.95	33.23	21.19	12.04	2.760	
2,800.00	2,789.64	2,803.97	2,780.44	6.25	6.62	-73.78	-111.03	-64.61	44.71	32.01	12.69	3.522	
2,901.48	2,886.67	2,902.34	2,869.14	6.65	7.19	-63.90	-145.82	-89.00	60.04	46.71	13.32	4.506	
3,000.00	2,980.36	2,997.26	2,952.67	7.08	7.83	-57.10	-182.74	-114.88	78.33	64.37	13.96	5.613	
3,100.00	3,075.45	3,094.94	3,038.06	7.55	8.56	-52.33	-221.57	-142.11	98.51	83.90	14.61	6.741	
3,200.00	3,170.54	3,192.62	3,123.45	8.04	9.32	-49.19	-260.40	-169.33	119.13	103.82	15.31	7.783	
3,300.00	3,265.63	3,290.30	3,208.84	8.56	10.12	-46.98	-299.23	-196.56	139.98	123.96	16.03	8.734	
3,362.20	3,324.77	3,351.05	3,261.96	8.88	10.63	-45.91	-323.39	-213.49	153.04	136.55	16.49	9.280	
3,400.00	3,360.77	3,387.94	3,294.21	9.07	10.94	-45.38	-338.05	-223.77	161.12	144.35	16.77	9.606	
3,500.00	3,456.55	3,485.19	3,379.22	9.49	11.77	-43.86	-376.71	-250.88	183.84	166.38	17.46	10.529	
3,600.00	3,553.04	3,582.03	3,463.88	9.90	12.61	-42.25	-415.21	-277.87	208.57	190.47	18.10	11.524	
3,700.00	3,650.19	3,687.78	3,557.53	10.30	13.34	-40.71	-455.43	-306.07	233.34	214.65	18.68	12.488	
3,800.00	3,747.92	3,795.35	3,655.00	10.68	14.04	-39.56	-492.67	-332.17	256.13	236.86	19.27	13.293	
3,900.00	3,846.18	3,904.62	3,756.09	11.04	14.70	-38.66	-526.62	-355.97	276.81	256.97	19.84	13.951	
4,000.00	3,944.88	4,015.48	3,860.54	11.37	15.32	-37.96	-556.99	-377.27	295.28	274.89	20.39	14.478	
4,100.00	4,043.98	4,127.77	3,968.05	11.68	15.89	-37.39	-583.50	-395.85	311.43	290.52	20.92	14.888	
4,200.00	4,143.39	4,241.33	4,078.26	11.95	16.39	-36.92	-605.89	-411.56	325.19	303.78	21.41	15.190	
4,300.00	4,243.05	4,355.99	4,190.77	12.20	16.82	-36.54	-623.94	-424.21	336.48	314.62	21.86	15.393	
4,400.00	4,342.89	4,471.54	4,305.12	12.42	17.18	-36.23	-637.45	-433.68	345.25	322.98	22.27	15.504	
4,500.00	4,442.84	4,587.76	4,420.84	12.61	17.46	-35.97	-646.25	-439.85	351.45	328.81	22.63	15.527	
4,564.17	4,507.00	4,662.60	4,495.57	12.71	17.60	-166.29	-649.38	-442.04	354.06	331.22	22.84	15.503	
4,600.00	4,542.83	4,704.45	4,537.41	12.77	17.66	-166.23	-650.25	-442.65	354.91	331.94	22.97	15.451	
4,700.00	4,642.83	4,809.88	4,642.83	12.93	17.79	-166.21	-650.50	-442.83	355.16	331.83	23.33	15.225	
4,800.00	4,742.83	4,909.88	4,742.83	13.10	17.91	-166.21	-650.50	-442.83	355.16	331.46	23.69	14.991	

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation

Weatherford International Ltd.

Anticollision Report

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Offset Design Bonanza 1023-10A PAD - Bonanza 1023-10H2DS - Bonanza 1023-10H2DS - Design #1

Offset Site Error: 0.00 ft

Survey Program: 0-MWD

Offset Well Error: 0.00 ft

Reference Measured Depth (ft)	Reference Vertical Depth (ft)	Offset Measured Depth (ft)	Offset Vertical Depth (ft)	Semi Major Axis Reference (ft)	Semi Major Axis Offset (ft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (ft)	Offset Wellbore Centre +E/-W (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
4,900.00	4,842.83	5,009.88	4,842.83	13.27	18.03	-166.21	-650.50	-442.83	355.16	331.10	24.06	14.763	
5,000.00	4,942.83	5,109.88	4,942.83	13.44	18.15	-166.21	-650.50	-442.83	355.16	330.73	24.43	14.540	
5,100.00	5,042.83	5,209.88	5,042.83	13.61	18.28	-166.21	-650.50	-442.83	355.16	330.36	24.80	14.322	
5,200.00	5,142.83	5,309.88	5,142.83	13.78	18.40	-166.21	-650.50	-442.83	355.16	329.98	25.17	14.110	
5,300.00	5,242.83	5,409.88	5,242.83	13.96	18.53	-166.21	-650.50	-442.83	355.16	329.61	25.55	13.902	
5,400.00	5,342.83	5,509.88	5,342.83	14.13	18.66	-166.21	-650.50	-442.83	355.16	329.23	25.93	13.699	
5,500.00	5,442.83	5,609.88	5,442.83	14.31	18.80	-166.21	-650.50	-442.83	355.16	328.85	26.31	13.500	
5,600.00	5,542.83	5,709.88	5,542.83	14.49	18.93	-166.21	-650.50	-442.83	355.16	328.47	26.69	13.306	
5,700.00	5,642.83	5,809.88	5,642.83	14.67	19.07	-166.21	-650.50	-442.83	355.16	328.08	27.08	13.117	
5,800.00	5,742.83	5,909.88	5,742.83	14.85	19.20	-166.21	-650.50	-442.83	355.16	327.69	27.46	12.932	
5,900.00	5,842.83	6,009.88	5,842.83	15.03	19.34	-166.21	-650.50	-442.83	355.16	327.30	27.85	12.752	
6,000.00	5,942.83	6,109.88	5,942.83	15.21	19.48	-166.21	-650.50	-442.83	355.16	326.91	28.24	12.575	
6,100.00	6,042.83	6,209.88	6,042.83	15.40	19.63	-166.21	-650.50	-442.83	355.16	326.52	28.63	12.403	
6,200.00	6,142.83	6,309.88	6,142.83	15.58	19.77	-166.21	-650.50	-442.83	355.16	326.13	29.03	12.235	
6,300.00	6,242.83	6,409.88	6,242.83	15.77	19.92	-166.21	-650.50	-442.83	355.16	325.73	29.42	12.070	
6,400.00	6,342.83	6,509.88	6,342.83	15.96	20.06	-166.21	-650.50	-442.83	355.16	325.33	29.82	11.910	
6,500.00	6,442.83	6,609.88	6,442.83	16.15	20.21	-166.21	-650.50	-442.83	355.16	324.94	30.22	11.752	
6,600.00	6,542.83	6,709.88	6,542.83	16.33	20.36	-166.21	-650.50	-442.83	355.16	324.54	30.62	11.599	
6,700.00	6,642.83	6,809.88	6,642.83	16.52	20.51	-166.21	-650.50	-442.83	355.16	324.13	31.02	11.449	
6,800.00	6,742.83	6,909.88	6,742.83	16.72	20.66	-166.21	-650.50	-442.83	355.16	323.73	31.42	11.302	
6,900.00	6,842.83	7,009.88	6,842.83	16.91	20.82	-166.21	-650.50	-442.83	355.16	323.33	31.83	11.159	
7,000.00	6,942.83	7,109.88	6,942.83	17.10	20.97	-166.21	-650.50	-442.83	355.16	322.92	32.23	11.019	
7,100.00	7,042.83	7,209.88	7,042.83	17.29	21.13	-166.21	-650.50	-442.83	355.16	322.52	32.64	10.881	
7,200.00	7,142.83	7,309.88	7,142.83	17.49	21.29	-166.21	-650.50	-442.83	355.16	322.11	33.05	10.747	
7,300.00	7,242.83	7,409.88	7,242.83	17.68	21.44	-166.21	-650.50	-442.83	355.16	321.70	33.45	10.616	
7,400.00	7,342.83	7,509.88	7,342.83	17.88	21.60	-166.21	-650.50	-442.83	355.16	321.29	33.86	10.488	
7,500.00	7,442.83	7,609.88	7,442.83	18.08	21.77	-166.21	-650.50	-442.83	355.16	320.88	34.27	10.362	
7,600.00	7,542.83	7,709.88	7,542.83	18.27	21.93	-166.21	-650.50	-442.83	355.16	320.47	34.69	10.239	
7,700.00	7,642.83	7,809.88	7,642.83	18.47	22.09	-166.21	-650.50	-442.83	355.16	320.06	35.10	10.119	
7,800.00	7,742.83	7,909.88	7,742.83	18.67	22.26	-166.21	-650.50	-442.83	355.16	319.64	35.51	10.001	
7,900.00	7,842.83	8,009.88	7,842.83	18.87	22.42	-166.21	-650.50	-442.83	355.16	319.23	35.93	9.886	
7,957.17	7,900.00	8,067.05	7,900.00	18.98	22.52	-166.21	-650.50	-442.83	355.16	318.99	36.16	9.821	

Weatherford International Ltd.

Anticollision Report

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
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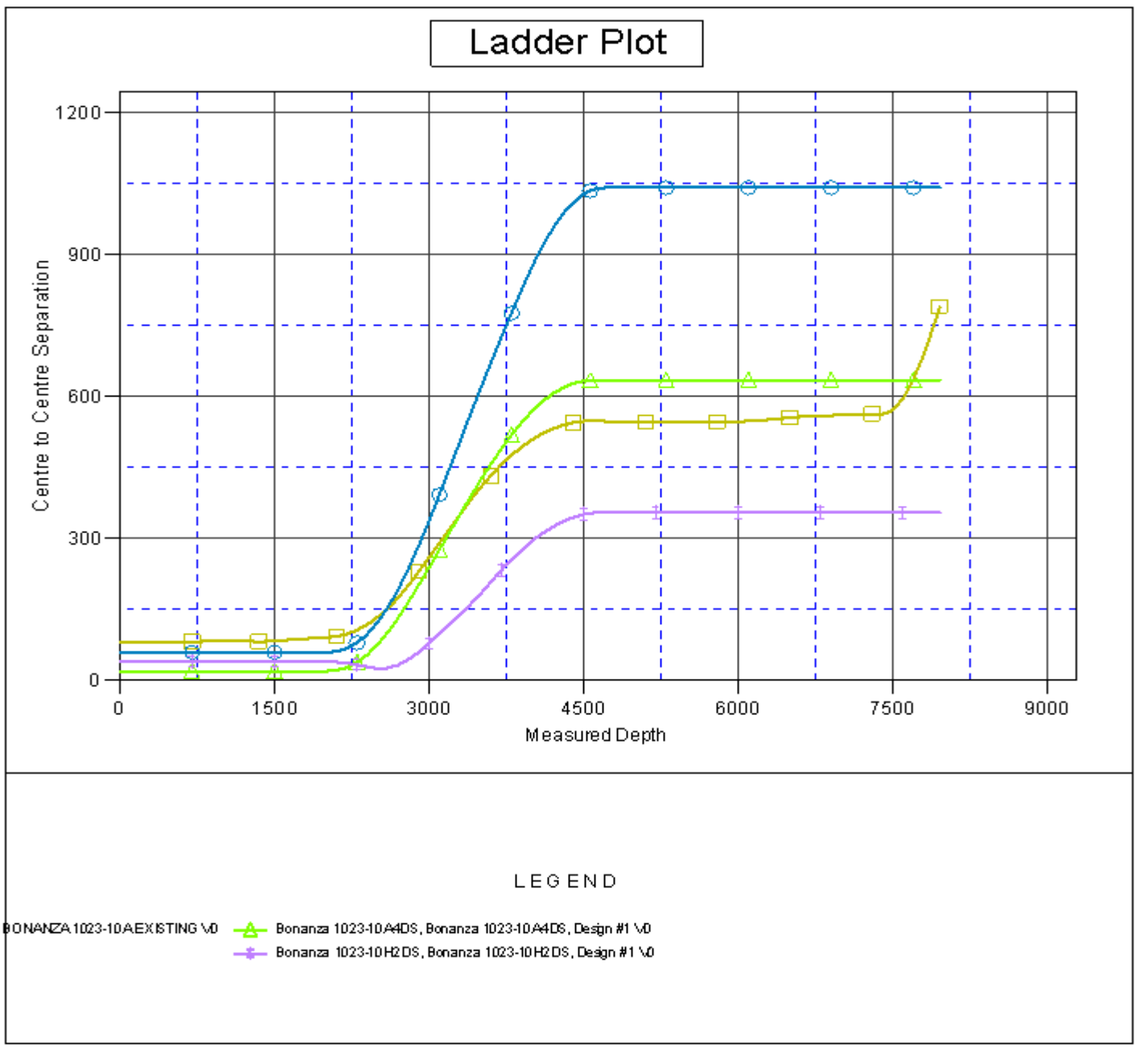
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Reference Depths are relative to WELL @ 5452.00ft (Original Well Ele\Coordinates are relative to: Bonanza 1023-10H1BS
Offset Depths are relative to Offset Datum
Coordinate System is Universal Transverse Mercator (US Survey Feet), Zone 12N
Central Meridian is 111° 0' 0.000 W °
Grid Convergence at Surface is: 1.09°



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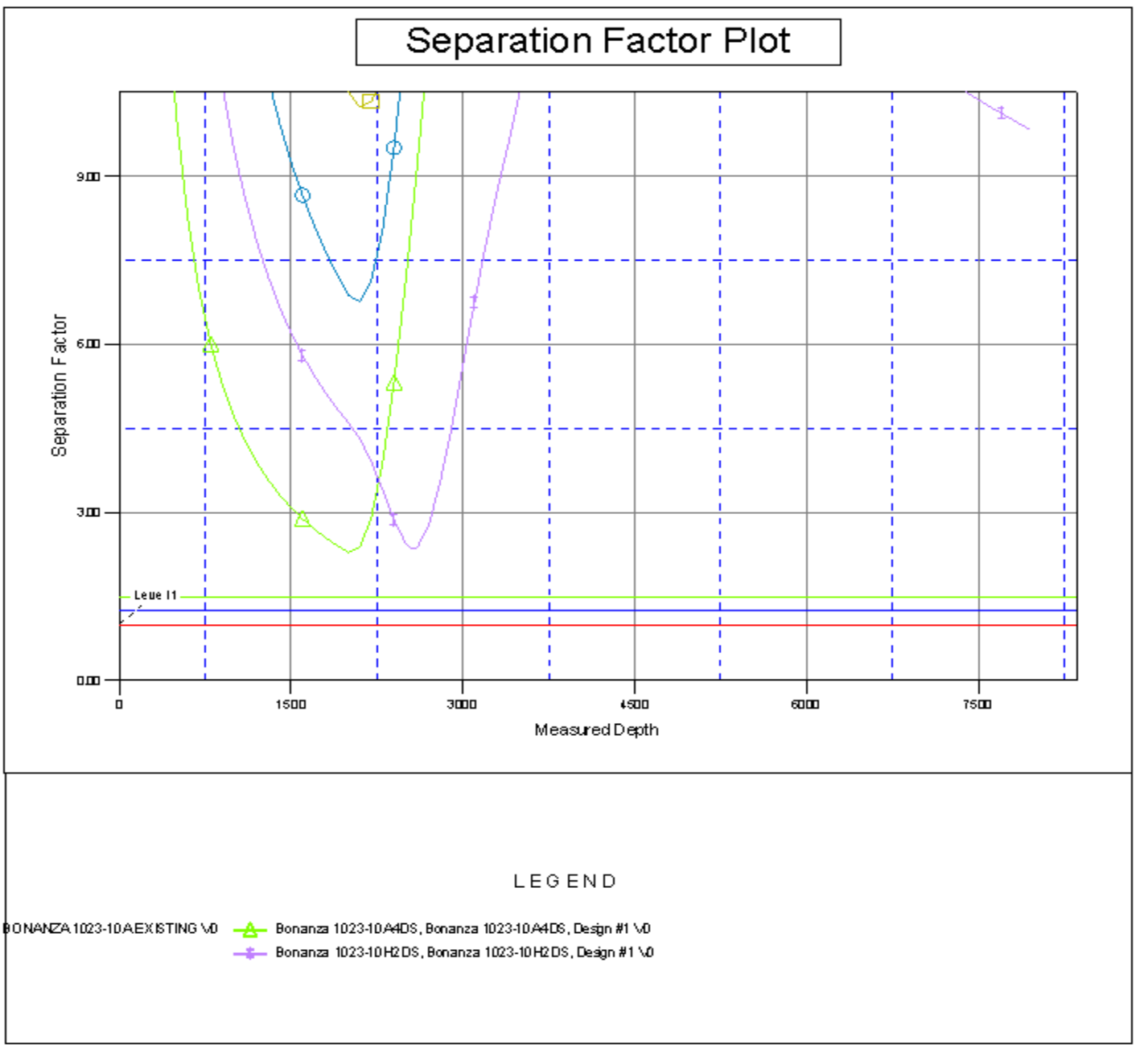
Anticollision Report

Company:	ANADARKO PETROLEUM CORP.	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	UINTAH COUNTY, UTAH (nad 27)	**TVD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Reference Site:	Bonanza 1023-10A PAD	**MD Reference:**	WELL @ 5452.00ft (Original Well Elev)
Site Error:	0.00ft	**North Reference:**	True
Reference Well:	Bonanza 1023-10H1BS	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00ft	**Output errors are at**	2.00 sigma
Reference Wellbore	Bonanza 1023-10H1BS	**Database:**	EDM 2003.21 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Reference Depths are relative to WELL @ 5452.00ft (Original Well Ele\Coordinates are relative to: Bonanza 1023-10H1BS
Offset Depths are relative to Offset Datum — Coordinate System is Universal Transverse Mercator (US Survey Feet), Zone 12N
Central Meridian is 111° 0' 0.000 W ° — Grid Convergence at Surface is: 1.09°



’APIWellNo:43047505170000’

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Bonanza 1023-10H1BS
Pad: Bonanza 1023-10A
Surface: 1,199’ FNL, 241’ FEL (NE/4NE/4)
BHL: 1,505’ FNL 600’ FEL (SE/4NE/4)
Sec. 10 T10S R23E

Uintah, Utah
Mineral Lease: UTU 40736

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. – 2. Estimated Tops of Important Geologic Markers:
Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

Formation	Depth	Resource
Uinta	0 – Surface	
Green River	981’	
Birds Nest	1,372’	Water
Mahogany	1,871’	Water
Wasatch	4,007’	Gas
Mesaverde	5,849’	Gas
MVU2	6,818’	Gas
MVL1	7,359’	Gas
TVD	7,900’	
TD	7,957’	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. Abnormal Conditions:

Maximum anticipated bottomhole pressure calculated at 7,957' TD, approximately equals 4,710 psi (calculated at 0.59 psi/foot).

Maximum anticipated surface pressure equals approximately 2,938 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. Variances:

Please refer to the attached Drilling Program.
Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- *Blowout Prevention Equipment (BOPE) requirements;*
- *Mud program requirements; and*
- *Special drilling operation (surface equipment placement) requirements associated with air drilling.*

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12-1/4 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 12-1/4 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 9-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements
The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements
Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements
Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Conclusion
The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. Other Information:

Please refer to the attached Drilling Program.

'APIWellNo:43047505170000'

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	June 15, 2009	
WELL NAME	**Bonanza 1023-10H1BS**		TD	7,900' TVD	7,957' MD
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	FINISHED ELEVATION	5,434'
SURFACE LOCATION	NE/4 NE/4	1,199' FNL	241' FEL	Sec 10 T 10S R 23E	
	Latitude: 39.967389	Longitude: -109.304517		NAD 83	
BTM HOLE LOCATION	SE/4 NE/4	1,505' FNL	600' FEL	Sec 10 T 10S R 23E	
	Latitude: 39.966550	Longitude: -109.305794		NAD 83	
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: BLM (Minerals), BLM (Surface), UDOGM Tri-County Health Dept.				

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		20'		14"	
			12-1/4"	9-5/8", 36#, J-55, LTC	Air mist

All water flows encountered while drilling will be reported to the appropriate agencies.

Green River @	981'
Top of Birds Nest @	1,372
Mahogany @	1,871
Preset f/ GL @	2,075' MD

Note: 12.25" surface hole will usually be drilled ±400' below the lost circulation zone (aka bird's nest). Drilled depth may be ±200' of the estimated set depth depending on the acutal depth of the loss zone.

Wasatch @	4,007'
Mverde @	5,849' TVD
MVU2 @	6,818' TVD
MVU1 @	7,359' TVD

Mud logging program TBD

Cased hole logging program from TD - surf csg

7-7/8"	4-1/2" 11.6# I-80 or equivalent LTC csg	Water / Fresh Water Mud 8.3-11.6 ppg

Max anticipated Mud required 11.6 ppg

TD @ 7,900' TVD 7,957' MD

'APIWellNo:43047505170000'

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
						3,520	2,020	453,000
SURFACE	9-5/8"	0 to 2,075	36.00	J-55	LTC	1.15	2.08	7.72
						7,780	6,350	201,000
PRODUCTION	4-1/2"	0 to 7,957	11.60	I-80	LTC	2.57	1.33	2.50

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

2) MASP (Prod Casing) = Pore Pressure at TD - (0.22 psi/ft-partial evac gradient x TD)
(Burst Assumptions: TD = 11.6 ppg) 0.22 psi/ft = gradient for partially evac wellbore
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MASP 2,938 psi

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD
(Burst Assumptions: TD = 11.6 ppg) 0.59 psi/ft = bottomhole gradient
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MABHP 4,710 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1			+ 0.25 pps flocele				
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	380	0%	15.60	1.18
			+ 2% CaCl + 0.25 pps flocele				
			Premium cmt + 2% CaCl				
SURFACE			**NOTE: If well will circulate water to surface, option 2 will be utilized**				
Option 2	LEAD	1,575'	65/35 Poz + 6% Gel + 10 pps gilsonite	370	35%	12.60	1.81
			+ 0.25 pps Flocele + 3% salt BWOW				
	TAIL	500'	Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ 0.25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,507'	Premium Lite II + 3% KCl + 0.25 pps	330	40%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	4,450'	50/50 Poz/G + 10% salt + 2% gel	1,090	40%	14.30	1.31
			+ 0.1% R-3				

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained
*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

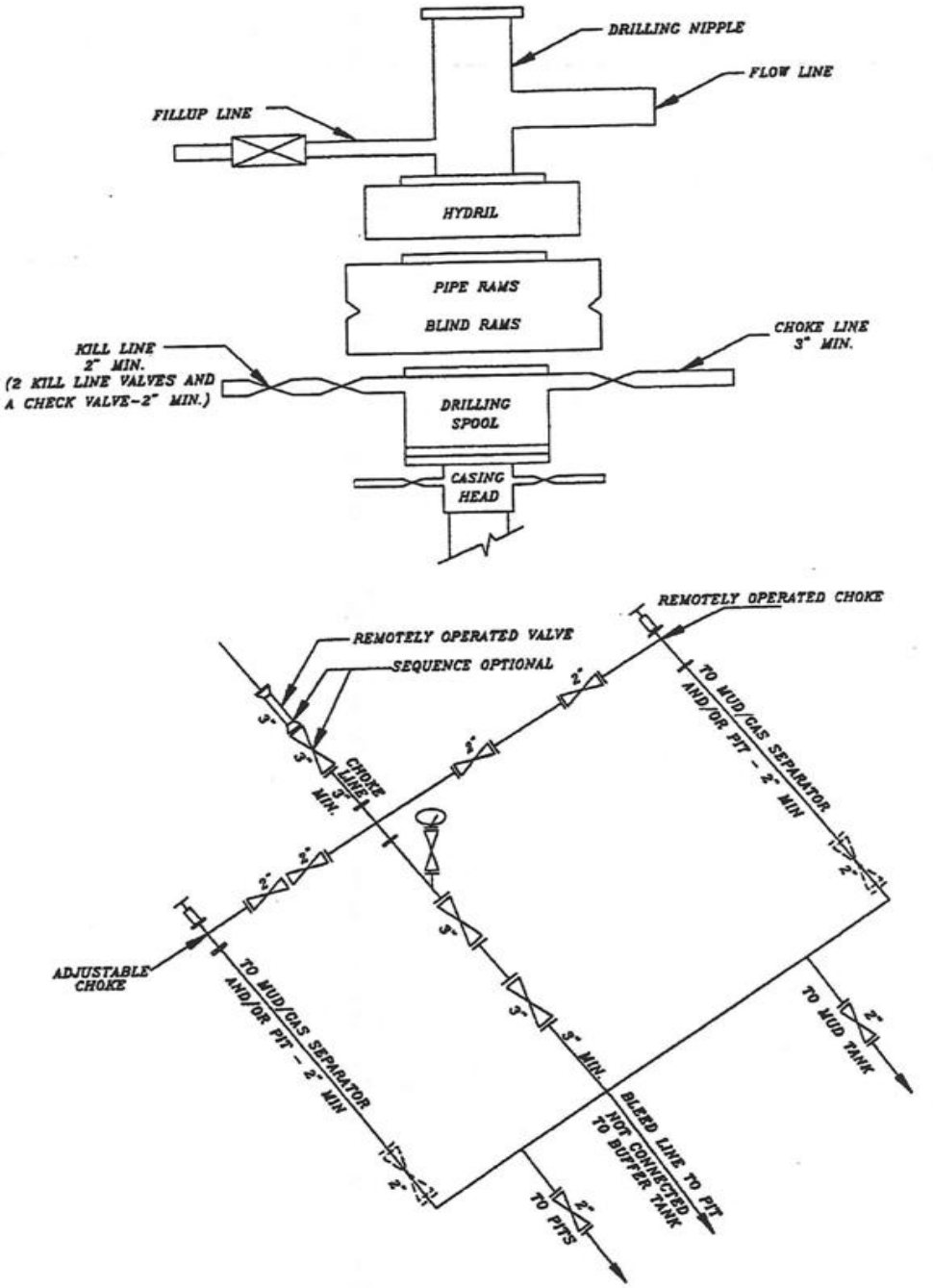
Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____ **DATE:** _____
John Huycke / Emile Goodwin

DRILLING SUPERINTENDENT: _____ **DATE:** _____
John Merkel / Lovel Young

EXHIBIT A
Bonanza 1023-10H1BS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

'APIWellNo:43047505170000'

Kerr–McGee Oil & Gas Onshore LP

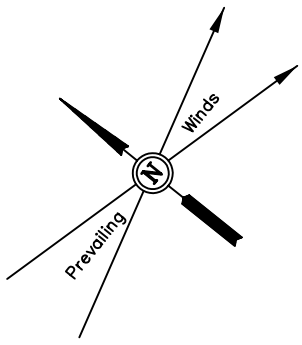
FIGURE #1

LOCATION LAYOUT FOR

BONANZA #1023–10A2DS, #1023–10A4BS, #1023–10H1BS & #1023–10H2DS

SECTION 10, T10S, R23E, S.L.B.&M.

NE 1/4 NE 1/4



SCALE: 1" = 50'
DATE: 10–30–08
Drawn By: C.C.
Revised: 11–24–08
Revised: 12–17–08 D.P.
Revised: 12–19–08 C.C.
Revised: 01–13–09 C.C.

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

Existing Road (Use as Access)

Approx. Toe of Fill Slope

C–1.5'
El. 35.8'

F–5.3'
El. 29.0'

Sta. 5+00

Round Corners as Needed

F–1.2'
El. 33.1'

DATA

Approx. Top of Cut Slope

Pit Topsoil

240'

230'

250'

Edge of Existing Pad

Existing Pipeline (Typ.)

CATWALK

PIPE RACKS

FLARE PIT

C–4.7'
El. 39.0'

C–2.9'
El. 37.2'

Existing Wellhead NBU #1023–10A

C–0.2'
El. 34.5'

#1023–10A2DS

DOG HOUSE

Sta. 2+50

F–4.8'
El. 29.5'

160'

C–9.2'
El. 33.5'
(btm. pit)

N37°18'17"W – 869.62'
(To Bottom Hole)

C–2.7'
El. 37.0'

C–0.1'
El. 34.4'

#1023–10H2DS

N40°20'32"W – 402.03'
(To Bottom Hole)

C–0.2'
El. 34.5'

#1023–10A4BS

RESERVE PITS
(10' Deep)

C–0.2'
El. 34.5'

#1023–10H1BS

MUD TANKS

TRAILER

Existing Tanks

TOILET

HOPPER

POWER

Ex. Metal Dike

Existing De–Hy Skid

TOOLS

FUEL

Existing Topsoil Stockpile

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH/DIKE

SLOPE 1 1/2 : 1

Total Pit Capacity
W/2' of Freeboard =
26,140 Bbls.± Total
Pit Volume = 7,090
Cu. Yds

S35°03'44"W – 825.59'
(To Bottom Hole)

Sta. 0+50

STORAGE TANK

F–0.3'
El. 34.0'

TRASH

F–2.3'
El. 32.0'

C–10.7'
El. 35.0'
(btm. pit)

15' WIDE BENCH/DIKE

Sta. 0+00

F–5.3'
El. 29.0'

F–0.4'
El. 33.9'

Topsoil Stockpile

S49°32'00"W – 471.21'
(To Bottom Hole)

NAD 83 (#1023–10A)
LATITUDE = 39°58'03.10" (39.967528)
LONGITUDE = 109°18'15.46" (109.304294)
NAD 27 (#1023–10A)
LATITUDE = 39°58'03.22" (39.967561)
LONGITUDE = 109°18'13.02" (109.303617)

LINE TABLE		
LINE	AZIMUTH	LENGTH
L1	231.284167°	19.95'

Elev. Ungraded Ground at #1023–10A2DS Location Stake = 5434.5'

Elev. Graded Ground at #1023–10A2DS Location Stake = 5434.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789–1017

'APIWellNo:43047505170000'

Kerr–McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

BONANZA #1023–10A2DS, #1023–10A4BS, #1023–10H1BS & #1023–10H2DS

SECTION 10, T10S, R23E, S.L.B.&M.

NE 1/4 NE 1/4

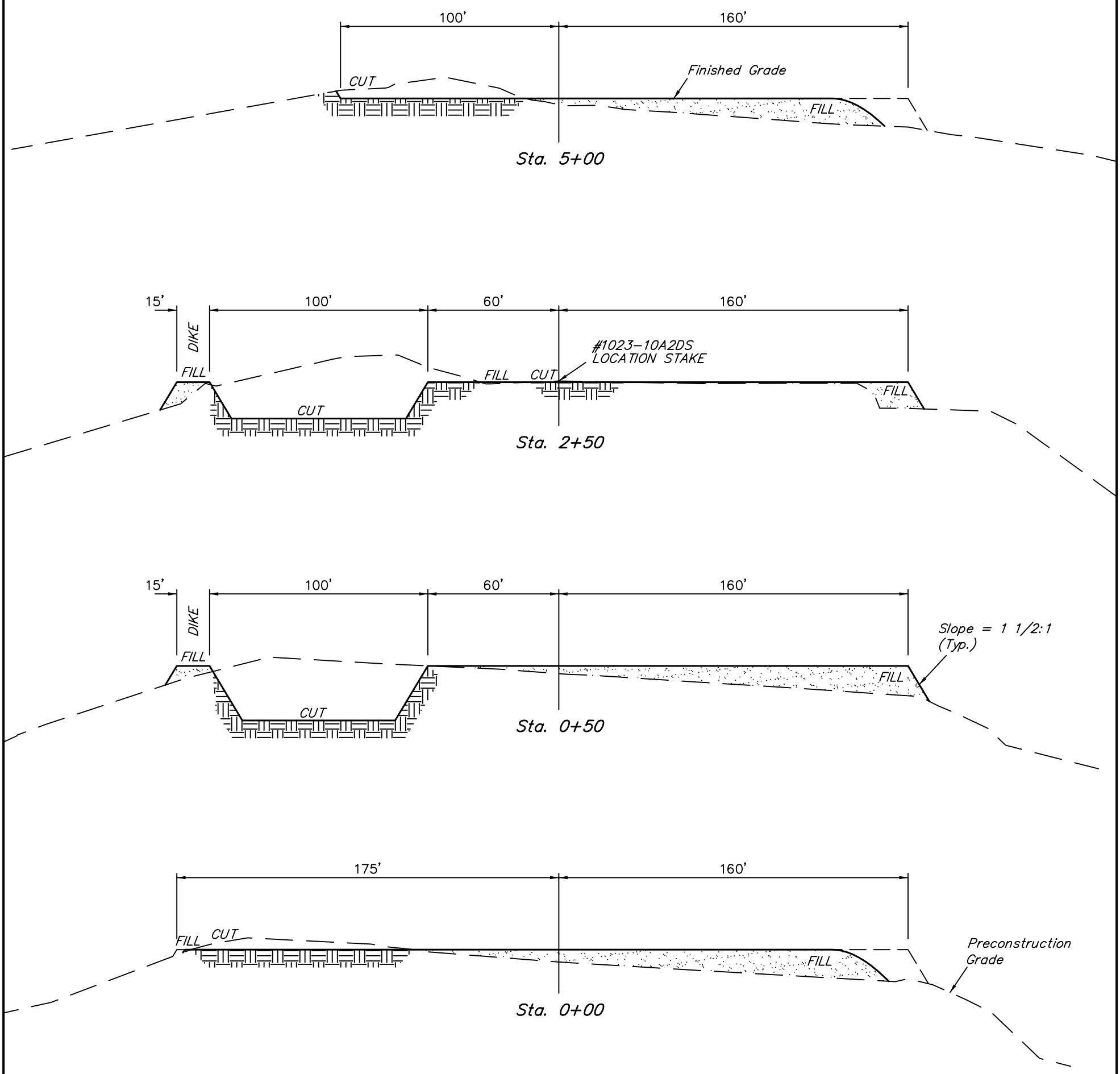
1" = 20'

X–Section Scale

1" = 50'

DATE: 10–30–08
Drawn By: C.C.
Revised: 11–24–08
Revised: 12–17–08 D.P.
Revised: 12–19–08 C.C.
Revised: 01–13–09 C.C.

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH



APPROXIMATE ACREAGES

EXISTING DISTURBANCE = ±1.355 ACRES
NEW DISTURBANCE = ±2.801 ACRES
TOTAL = ±4.156 ACRES

* *NOTE:*
FILL QUANTITY INCLUDES 5% FOR COMPACTION

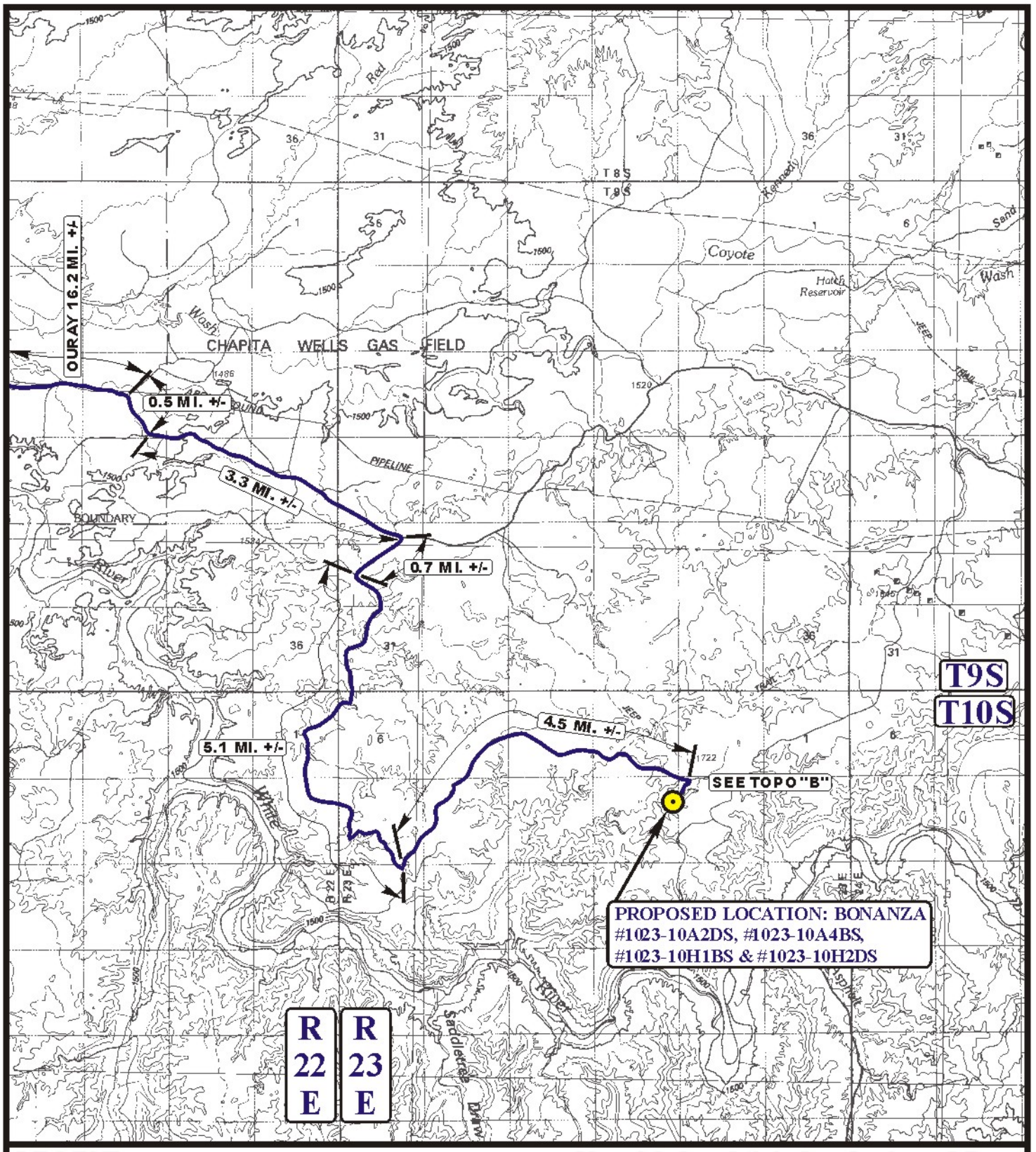
APPROXIMATE YARDAGES

(6") Topsoil Stripping (New Construction Only)	=	*1,710* Cu. Yds.
Remaining Location	=	*10,150* Cu. Yds.
TOTAL CUT	=	*11,890* CU.YDS.
FILL	=	*6,600* CU.YDS.

EXCESS MATERIAL	=	*5,260* Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	*5,260* Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	*0* Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
*85 So. 200 East * Vernal, Utah 84078 * (435) 789–1017*

'APIWellNo:43047505170000'



LEGEND:

PROPOSED LOCATION

N

Kerr-McGee Oil & Gas Onshore LP

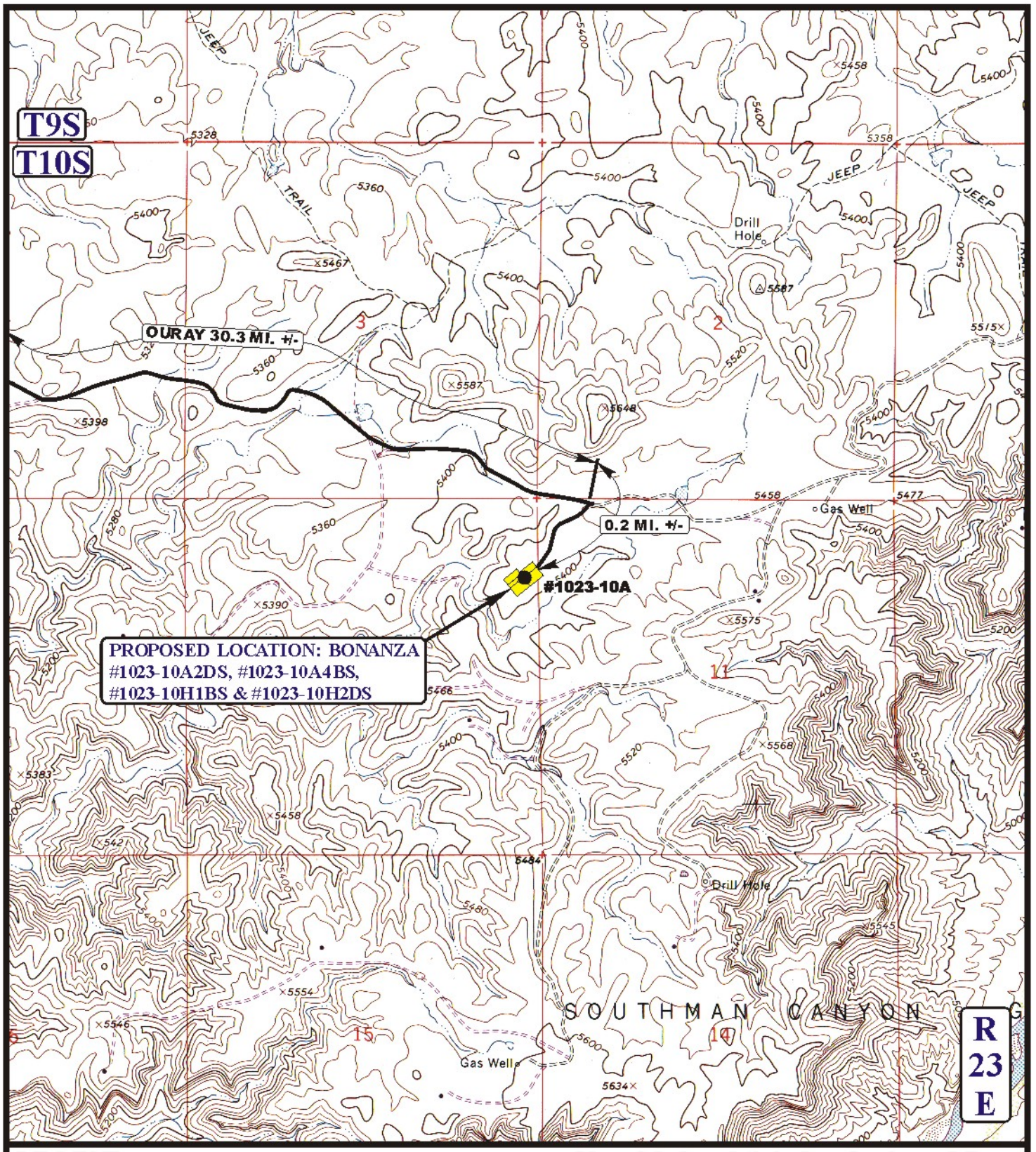
BONANZA #1023-10A2DS, #1023-10A4BS,
#1023-10H1BS & #1023-10H2DS
SECTION 10, T10S, R23E, S.L.B.&M.
NE 1/4 NE 1/4

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 10 MONTH | 29 DAY | 08 YEAR | A TOPO

SCALE: 1:100,000 | DRAWN BY: J.H. | REV: 01-13-09 C.C.

'APIWellNo:43047505170000'



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

N

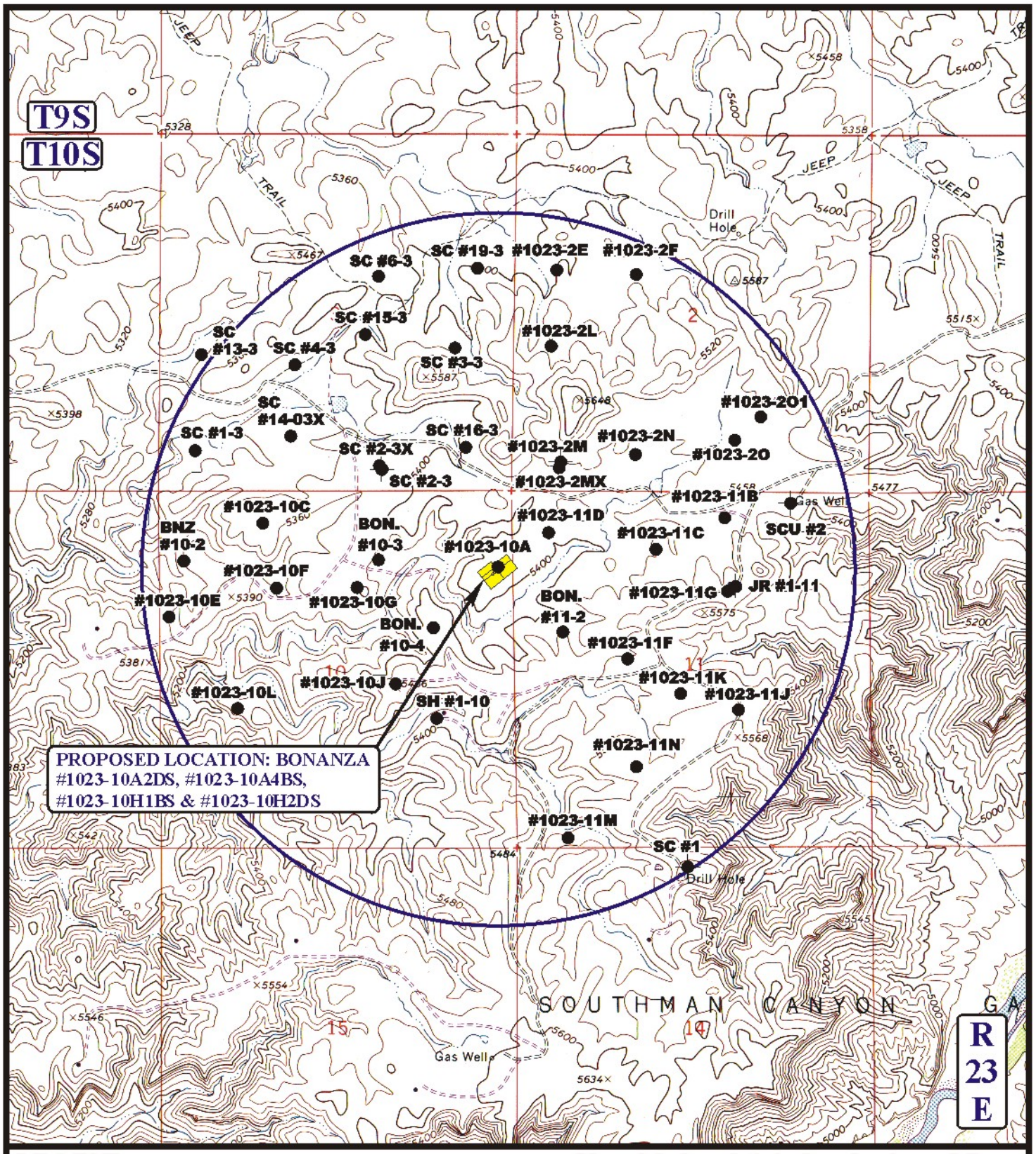
Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-10A2DS, #1023-10A4BS,
#1023-10H1BS & #1023-10H2DS
SECTION 10, T10S, R23E, S.L.B.&M.
NE 1/4 NE 1/4

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	10 MONTH	29 DAY	08 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: J.H.	REV: 01-13-09 C.C.		

’APIWellNo:43047505170000’



LEGEND:

- DISPOSAL WELLS
- WATER WELLS
- PRODUCING WELLS
- ABANDONED WELLS
- SHUT IN WELLS
- TEMPORARILY ABANDONED

N

Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-10A2DS, #1023-10A4BS, #1023-10H1BS & #1023-10H2DS
SECTION 10, T10S, R23E, S.L.B.&M.
NE 1/4 NE 1/4

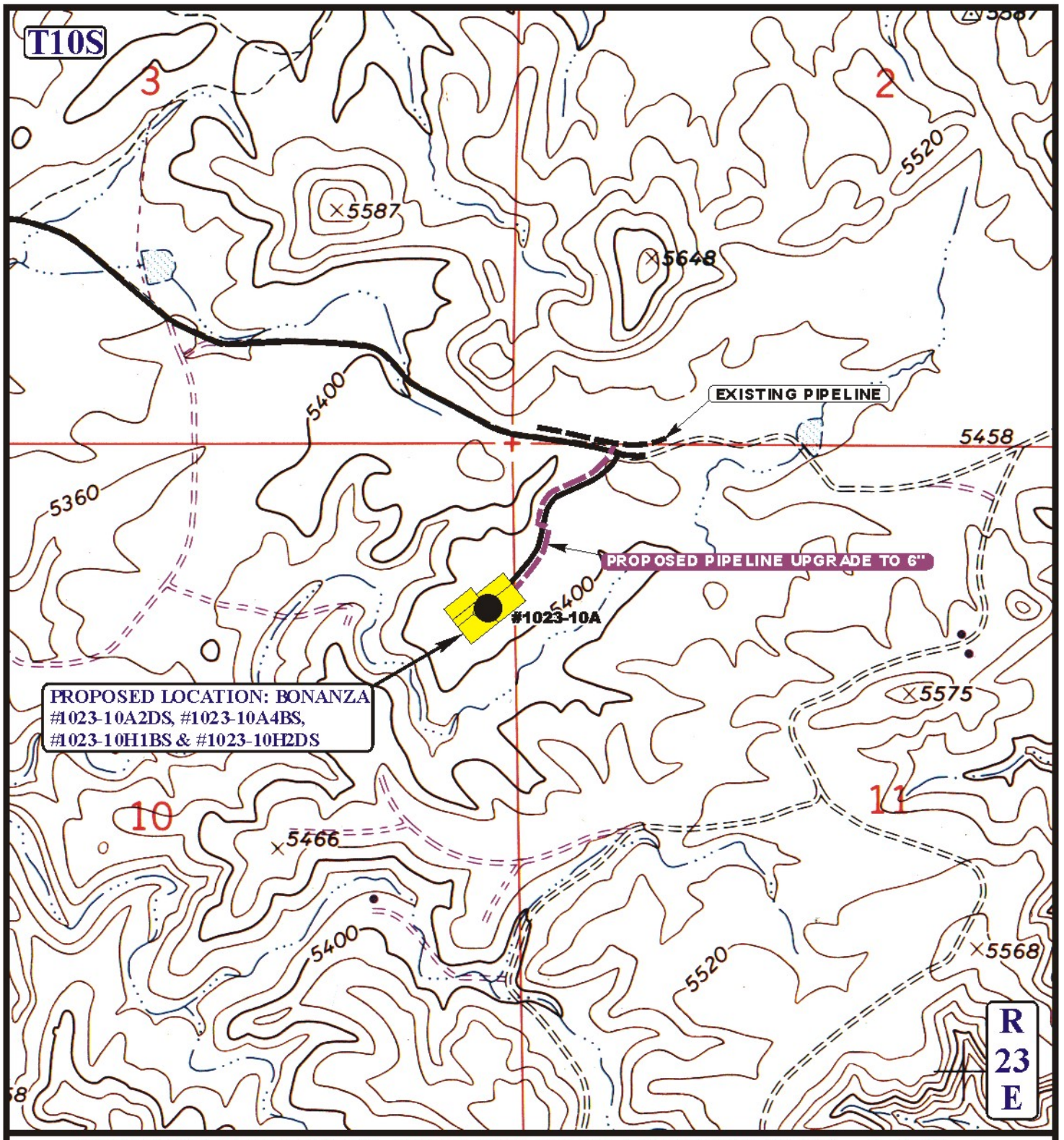
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 10 MONTH | 29 DAY | 08 YEAR

SCALE: 1" = 2000' | DRAWN BY: J.H. | REV: 01-13-09 C.C.

C TOPO

’APIWellNo:43047505170000’



APPROXIMATE TOTAL PIPELINE UPGRADE DISTANCE = 1,348' +/-

LEGEND:

PROPOSED ACCESS ROAD

EXISTING PIPELINE

PROPOSED PIPELINE UPGRADE TO 6"

N

Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-10A2DS, #1023-10A4BS, #1023-10H1BS & #1023-10H2DS
SECTION 10, T10S, R23E, S.L.B.&M.
NE 1/4 NE 1/4

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 10 MONTH | 29 DAY | 08 YEAR | D TOPO

SCALE: 1" = 1000' | DRAWN BY: J.H. | REV: 01-13-09 C.C.

'APIWellNo:43047505170000'

Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-10A2DS, #1023-10A4BS, #1023-10H1BS & #1023-10H2DS

LOCATED IN UINTAH COUNTY, UTAH
SECTION 10, T10S, R23E, S.L.B.&M.

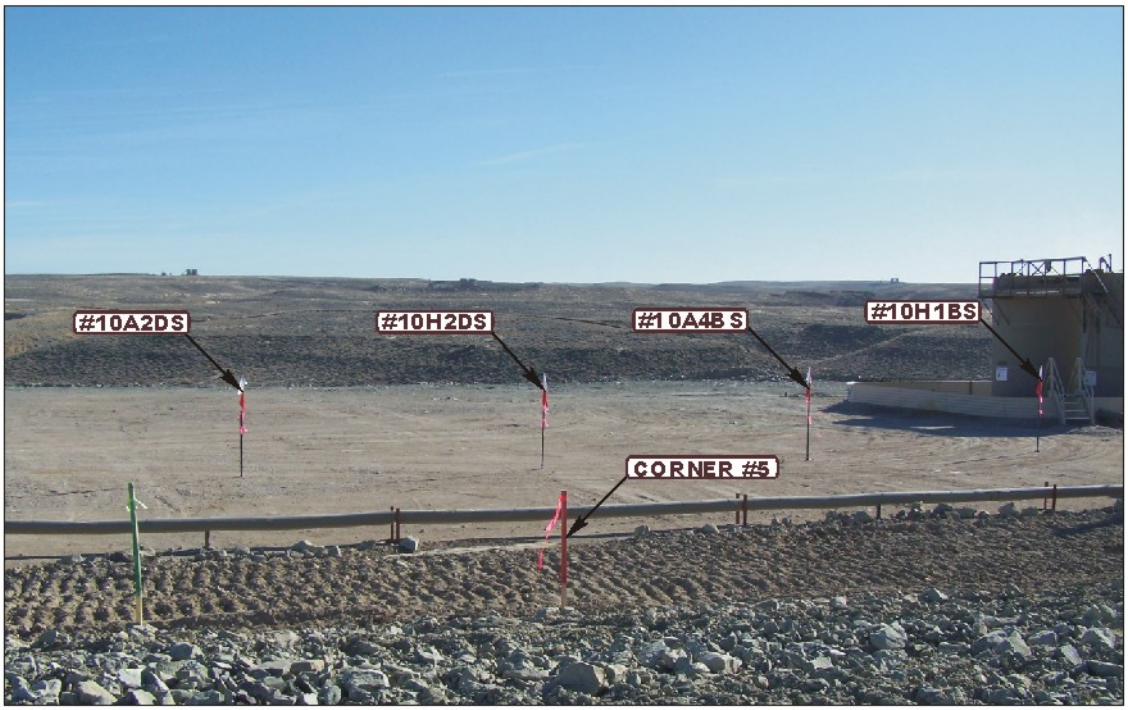


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKES **CAMERA ANGLE: SOUTHEASTERLY**

PHOTO: VIEW OF EXISTING ROAD **CAMERA ANGLE: SOUTHWESTERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

LOCATION PHOTOS	10 MONTH	29 DAY	08 YEAR	PHOTO
TAKEN BY: B.B.	DRAWN BY: J.H.	REV: 01-13-09 C.C.		

Kerr-McGee Oil & Gas Onshore LP
BONANZA #1023-10A2DS, #1023-10A4BS, #1023-10H1BS & #1023-10H2DS
SECTION 10, T10S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 5.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE EXISTING #1023-10A PAD AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 61.5 MILES.

Bonanza 1023-10A2DS
Surface: 1,161’ FNL, 194’ FEL (NE/4NE/4)
BHL: 470’ FNL 720’ FEL (NE/4NE/4)

Bonanza 1023-10A4BS
Surface: 1,186’ FNL, 225’ FEL (NE/4NE/4)
BHL: 880’ FNL 485’ FEL (NE/4NE/4)

Bonanza 1023-10H1BS
Surface: 1,199’ FNL, 241’ FEL (NE/4NE/4)
BHL: 1,505’ FNL 600’ FEL (SE/4NE/4)

Bonanza 1023-10H2DS
Surface: 1,174’ FNL, 210’ FEL (NE/4NE/4)
BHL: 1,850’ FNL 685’ FEL (SE/4NE/4)

Pad: Bonanza 1023-10A
Sec. 10 T10S R23E

Uintah, Utah
Mineral Lease: UTU 40736

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN SUBMITTED WITH SITE-SPECIFIC INFORMATION

This Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated in Onshore Order No. 1 (OSO #1) and supporting Bureau of Land Management (BLM) documents. An NOS was submitted in December, 2008 showing the surface locations in NE/4 NE/4 of Section 10 T10S R23E. At the time the NOS was submitted the following three wells had the following names:

- Bonanza 1023-10A4BS fka Bonanza 1023-10B4BS
- Bonanza 1023-10A2DS fka Bonanza 1023-10B4AS
- Bonanza 1023-10H2DS fka Bonanza 1023-10H2CS

This Surface Use Plan of Operations (SUPO) or 13-point plan provides the site-specific information for the above-referenced wells. This information is to be incorporated by reference into the Master Development Plan (MDP) for Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee). The MDP is available upon request from the BLM-Vernal Field Office.

An on-site meeting was held on February 3, 2009. Present were:

- Verlyn Pindell, Dave Gordon, Scott Ackerman, Karl Wright – BLM;
- David Kay – Uintah Engineering & Land Surveying;
- Kolby Kay – 609 Consulting, LLC
- Tony Kazeck, Clay Einerson, Raleen White, Ramey Hoopes, Grizz Oleen, Charles Chase and Spencer Biddle – Kerr-McGee.

Directional Drilling:
In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, this well will be directionally drilled in order to access portions of our lease which are otherwise inaccessible due to topography.

1. Existing Roads:
A) Refer to Topo Map A for directions to the location.
B) Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. Planned Access Roads:
See MDP for additional details on road construction.
No new access road is proposed. Please refer to the attached Topo Map B. No pipelines will be crossed with the new construction.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site and are typically shown on the attached Exhibits and Topo maps.

3. Location of Existing Wells Within a 1-Mile Radius:
Please refer to Topo Map C.

4. Location of Existing and Proposed Facilities:
See MDP for additional details on Existing and Proposed Facilities.

The following guidelines will apply if the well is productive.
Approximately ±1,348' of existing pipeline needs to be upgraded to 6". Refer to Topo D for the existing pipeline. Pipeline segments will be welded or zaplocked together on disturbed areas in or near the location, whenever possible, and dragged into place

5. Location and Type of Water Supply:
See MDP for additional details on Location and Type of Water Supply.

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, Application number 53617. Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:
See MDP for additional details on Source of Construction Materials.

7. Methods of Handling Waste Materials:
See MDP for additional details on Methods of Handling Waste Materials.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites:

RNI in Sec. 5 T9S R22E
NBU #159 in Sec. 35 T9S R21E
Ace Oilfield in Sec. 2 T6S R20E
MC&MC in Sec. 12 T6S R19E
Pipeline Facility in Sec. 36 T9S R20E
Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E
Bonanza Evaporation Pond in Sec. 2 T10S R23E

8. Ancillary Facilities:
See MDP for additional details on Ancillary Facilities.

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)
See MDP for additional details on Well Site Layout.

All pits will be fenced according to the following minimum standards:

- Net wire (39-inch) will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.
- Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.
- All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

10. Plans for Reclamation of the Surface:
See MDP for additional details on Plans for Reclamation of the Surface.

11. Surface/Mineral Ownership:
United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

12. Other Information:
See MDP for additional details on Other Information.

13. Lessee's or Operators' Representative & Certification:

Kathy Schneebeck Dulnoan
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6007

Tommy Thompson
General Manager, Drilling
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720-929-6724

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Kathy Schneebeck Dulnoan

June 18, 2009
Date

Kerr-McGee Oil & Gas Onshore LP
P.O. Box 173779
Denver, CO 80217-3779

April 7, 2009

Ms. Diana Mason
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-6100

Re: Exception Location R649-3-3 and Directional Drilling R649-3-11
Bonanza 1023-10H1BS
T10S- R23E
Section 10: NENE/SENE
1199' FNL, 241' FEL (surface)
1505' FNL, 600' FEL (bottom hole)
Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-3 and Rule R649-3-11 pertaining to the Exception to Location and Sitting of Wells.

- Kerr-McGee's Bonanza 1023-10H1BS is located within the area covered by Docket No. 2008-011 authorizing the equivalent of an approximate 10-acre well density pattern, and requiring approval for wells drilled at an exception location and wells drilled directionally in accordance with the referenced rules.

- Kerr-McGee is permitting this well at this location and as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing roads and pipelines in the area.

- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to Rule R6493-3 and Rule R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Jessy Pink
Landman

’APIWellNo:43047505170000’

CLASS I REVIEW OF KERR-MCGEE OIL AND GAS ONSHORE LP’S 43 PROPOSED WELL LOCATIONS (T10S, R23E, SECTIONS 5, 6, 7, 8, AND 10) UINTAH COUNTY, UTAH

By:

Nicole Shelnut

Prepared For:

Bureau of Land Management
Vernal Field Office

Prepared Under Contract With:

Kerr-McGee Oil and Gas Onshore LP
1368 South 1200 East
Vernal, Utah 84078

Prepared By:

Montgomery Archaeological Consultants, Inc.
P.O. Box 219
Moab, Utah 84532

MOAC Report No. 08-331

February 26, 2009

United States Department of Interior (FLPMA)
Permit No. 08-UT-60122

IPC #09-08

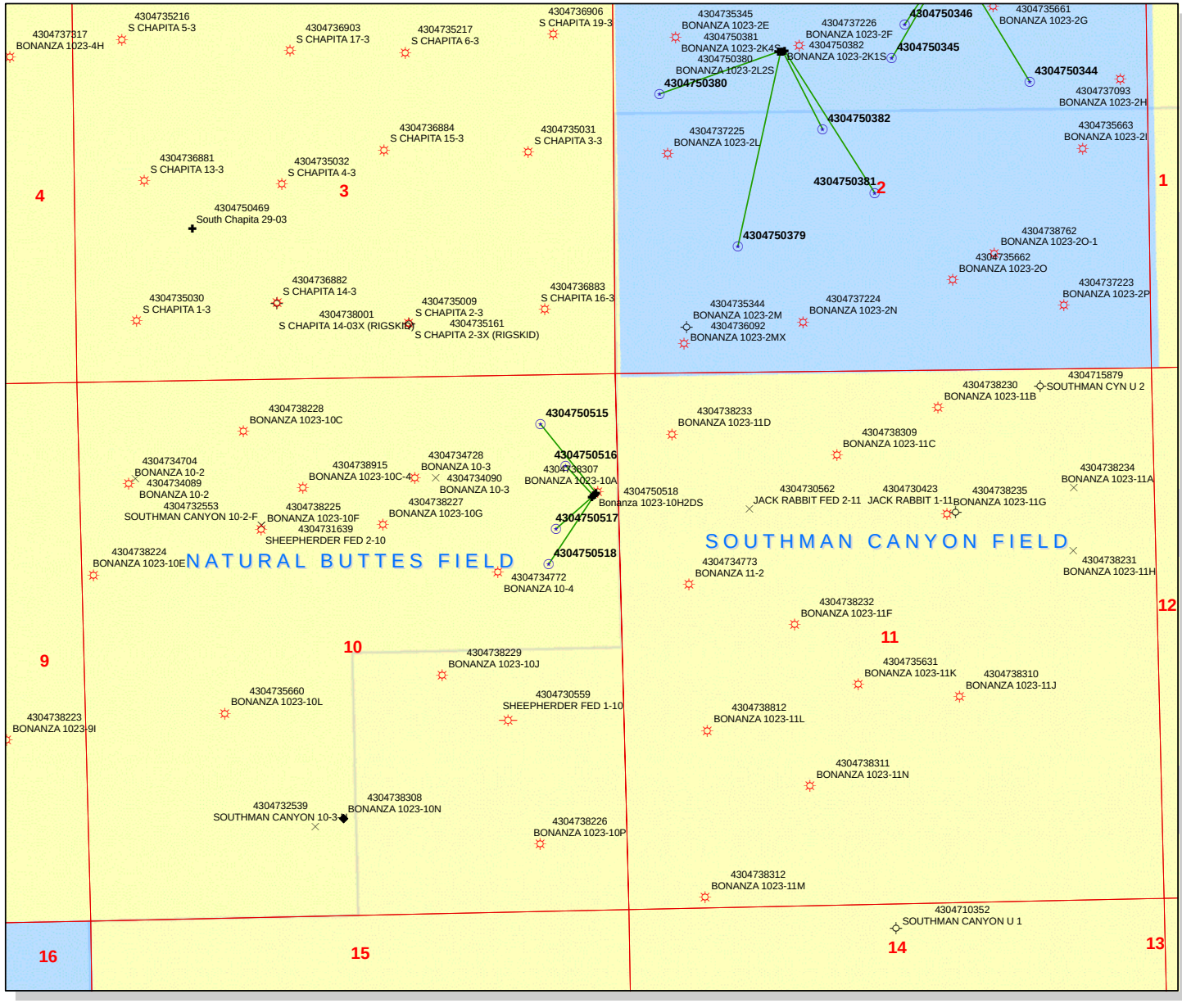
Paleontological Reconnaissance Survey Report

Survey of Kerr McGee's Proposed Multi-Well Pads, Access Road, Pipeline, Pipeline Re-Route and Upgrade for "Bonanza #1023-9B3BS, 9B3CS, 9H2BS & 9H2CS and #1023-10A2DS, A4BS, H1BS, & H2DS" (Sec. 9-11, T 10 S, R 23 E)

Asphalt Wash
Topographic Quadrangle
Uintah County, Utah

March 16, 2009

Prepared by Stephen D. Sandau
Paleontologist for
Intermountain Paleo-Consulting
P. O. Box 1125
Vernal, Utah 84078



API Number: 4304750517

Well Name: Bonanza 1023-10H1BS

Township 10.0 S Range 23.0 E Section 10

Meridian: SLBM

Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Map Prepared:
Map Produced by Diana Mason

Units

STATUS
- ACTIVE
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields

STATUS
- ACTIVE
- COMBINED
- Sections

Wells Query Events
- <all other values>

GIS_STAT_TYPE
- <Null>
- APD
- DRL
- GI
- GS
- LA
- NEW
- OPS
- PA
- PGW
- POW
- RET
- SGW
- SOW
- TA
- TW
- WD
- WI
- WS

1,200 600 0 1,200 Feet

1:12,000

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 6/19/2009 **API NO. ASSIGNED:** 43047505170000

WELL NAME: Bonanza 1023-10H1BS

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995) **PHONE NUMBER:** 720 929-6156

CONTACT: Danielle Piernot

PROPOSED LOCATION: NENE 10 100S 230E **Permit Tech Review:** ☑

SURFACE: 1199 FNL 0241 FEL **Engineering Review:** ☑

BOTTOM: 1505 FNL 0600 FEL **Geology Review:** ☑

COUNTY: UINTAH

LATITUDE: 39.96748 **LONGITUDE:** -109.30405

UTM SURF EASTINGS: 644842.00 **NORTHINGS:** 4425315.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU 40736 **PROPOSED PRODUCING FORMATION(S):** WASATCH-MESA VERDE

SURFACE OWNER: 1 - Federal **COALBED METHANE:** NO

RECEIVED AND/OR REVIEWED:

- ☑ **PLAT**
- ☑ **Bond:** FEDERAL - WYB000291
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☑ **Water Permit:** Permit #43-8496
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☑ **Intent to Commingle**

Commingling Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**

Unit:

- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☑ **Drilling Unit**

Board Cause No: Cause 179-14

Effective Date: 6/12/2008

Siting: 460' fr ext. drilling unit boundary

- ☑ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations: 3 - Commingling - ddoucet
4 - Federal Approval - dmason
15 - Directional - dmason

JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Permit To Drill

****

Well Name: Bonanza 1023-10H1BS
API Well Number: 43047505170000
Lease Number: UTU 40736
Surface Owner: FEDERAL
Approval Date: 6/30/2009

Issued to:
KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

Authority:
Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 179-14. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:
This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Commingle:
In accordance with Board Cause No. 179-14 commingling the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

General:
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:
State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

Notification Requirements:
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during

drilling of this well:

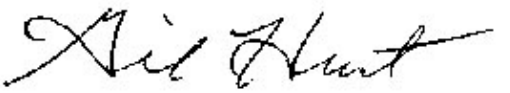
- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)
  OR
  submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at http://oilgas.ogm.utah.gov

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:



Gil Hunt
Associate Director, Oil & Gas

Form 3160-3
(August 2007)

RECEIVED
JUN 26 2009
BLM

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER	5. Lease Serial No. UTU40736
	6. If Indian, Allottee or Tribe Name
	7. If Unit or CA Agreement, Name and No. UTU60774
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone	8. Lease Name and Well No. BONANZA 1023-10H1BS
2. Name of Operator KERR MCGEE OIL & GAS ONSHORE LP — Contact: DANIELLE E PIERNOT — Mail: Danielle.Piernot@anadarko.com	9. API Well No. 43-047-50517
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078 — 3b. Phone No. (include area code) Ph: 720-929-6156 Fx: 720-929-7156	10. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well *(Report location clearly and in accordance with any State requirements.*)* At surface NENE 1199FNL 241FEL 39.96739 N Lat, 109.30452 W Lon; At proposed prod. zone SENE 1505FNL 600FEL 39.96655 N Lat, 109.30579 W Lon	11. Sec., T., R., M., or Blk. and Survey or Area Sec 10 T10S R23E Mer SLB SME: BLM
14. Distance in miles and direction from nearest town or post office* APPROXIMATELY 30 MILES SOUTHEAST OF OURAY, UTAH	12. County or Parish UINTAH — 13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 600 FEET — 16. No. of Acres in Lease	17. Spacing Unit dedicated to this well 320.00
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. APPROXIMATELY 470 FEET — 19. Proposed Depth 0 MD	20. BLM/BIA Bond No. on file WYB000291
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5434 GL — 22. Approximate date work will start 07/14/2009	23. Estimated duration 60-90 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (Printed/Typed)	Date
(Electronic Submission)	DANIELLE E PIERNOT Ph: 720-929-6156	06/19/2009

Title: REGULATORY ANALYST

Approved by (Signature)	Name (Printed/Typed)	Date
Stephanie J Howard	Stephanie J Howard	12-1-09
Title: Assistant Field Manager Lands & Mineral Resources	Office: VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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Additional Operator Remarks (see next page)

NOTICE OF APPROVAL

Electronic Submission #71167 verified by the BLM Well Information System
For KERR MCGEE OIL & GAS ONSHORE L, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 06/22/2009 (09GXJ5008AE)

CONDITIONS OF APPROVAL ATTACHED

apd posted 06/29/2009

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

095X5031 2A NOS: 12-11-2008 (Same Bonanza 1023-10H1BS)

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**Kerr McGee Oil and Gas Onshore LP**	**Location:**	**NENE, Sec.10,T10S R23E**
Well No:	**Bonanza 1023-10H1BS**	**Lease No:**	**UTU-40736**
API No:	**43-047-50517**	**Agreement:**	**CA-CR5**

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit was processed using a 390 CX tied to NEPA approved 10/31/2008. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 10/31/2013 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut_vn_opreport@blm.gov.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

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SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.

- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.

- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC CONDITIONS OF APPROVAL

- The following seed mix will be used for Interim Reclamation

Interim Reclamation seed mix

Ephraim crested wheatgrass	*Agropyron cristatum v. Epharim*	1 lbs. /acre
bottlebrush squirreltail	*Elymus elymoides*	1 lbs. /acre
Siberian wheatgrass	*Agropyron fragile*	1 lbs. /acre
western wheatgrass	*Agropyron smithii*	1 lbs. /acre
scarlet globemallow	*Spaeralcea coccinea*	1 lbs. /acre
shadscale	*Atriplex confertifolia*	2 lbs. /acre
fourwing saltbush	*Atriplex canescens*	2 lbs. /acre

Seed shall be applied with a rangeland drill, unless topography and /or rockiness precludes the use of equipment. See shall be applied between August 15 and ground freezing. All see rates are in terms of Pure Live Seed. Operator shall notify the Authorized Officer when seeding has commenced, and shall retain all seed tags.

- The operator will control noxious weeds along the well pad, access road, and the pipeline route by spraying or mechanical removal. On BLM administered land, a Pesticide Use Proposal (PUP) will be submitted and approved prior to the application of herbicides or pesticides or possibly hazardous chemicals.

- All permanent (on-site six months or longer), above ground structures constructed or installed, including pumping units, would be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee. All facilities would be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) would be excluded. The requested color is Shadow Gray as determined during the on-site inspection.

- As discussed on the onsite conducted on February 3, 2009 the pit shall be lined with double felt.

DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- A Gama Ray Log shall be run from TD to surface.

Variances Granted:

Air Drilling:

- Properly lubricated and maintained rotating head, variance granted to use a properly maintained and lubricated diverter bowl in place of a rotating head.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 45' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for two truck/trailer mounted air compressors located within 40 feet from the well bore and 60' from the blooie line.
- In lieu of mud products on location, Kerr McGee will fill the reserve pit with water for kill fluid.
- Automatic igniter. Variance granted for igniter due to there being no productive formations while drilling with air.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

    - Operator name, address, and telephone number.
    - Well name and number.
    - Well location (¼¼, Sec., Twn, Rng, and P.M.).
    - Date well was placed in a producing status (date of first production for which royalty will be paid).
    - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
    - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
    - Unit agreement and/or participating area name and number, if applicable.
    - Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.

- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.

- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

API Well No: 43047505170000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU 40736

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Bonanza 1023-10H1BS

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047505170000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1199 FNL 0241 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 10 Township: 10.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 1/28/2010	☐ ACIDIZE	✓ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee) respectfully requests to change the surface casing for this well due to revised drilling practices. The surface casing depth is changing FROM: 2,075' TO: 2,020'. Additionally, the surface casing size is changing FROM: 9-5/8" TO: 8-5/8". Please see the attached drilling program for additional details. All other information remains the same. Please contact the undersigned with any questions and/or comments. Thank you.

Accepted by the Utah Division of Oil, Gas and Mining

Date: January 26, 2010

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Danielle Piernot	720 929-6156	Regulatory Analyst
SIGNATURE N/A		**DATE** 1/26/2010

RECEIVED January 26, 2010

Bonanza 1023-10H1BS
Pad: Bonanza 1023-10A
Surface: 1,199' FNL, 241' FEL (NE/4NE/4)
BHL: 1,505' FNL 600' FEL (SE/4NE/4)
Sec. 10 T10S R23E

Uintah, Utah
Mineral Lease: UTU 40736

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. – 2. Estimated Tops of Important Geologic Markers:
Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

Formation	Depth	Resource
Uinta	0 – Surface	
Green River	981'	
Birds Nest	1,372'	Water
Mahogany	1,871'	Water
Wasatch	4,007'	Gas
Mesaverde	5,849'	Gas
MVU2	6,818'	Gas
MVL1	7,359'	Gas
TVD	7,900'	
TD	7,957'	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

RECEIVED January 26, 2010

7. Abnormal Conditions:

Maximum anticipated bottomhole pressure calculated at 7,957' TD, approximately equals 4,710 psi (calculated at 0.59 psi/foot).

Maximum anticipated surface pressure equals approximately 2,938 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates:

Drilling is planned to commence immediately upon approval of this application.

9. Variances:

Please refer to the attached Drilling Program.
Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- *Blowout Prevention Equipment (BOPE) requirements;*
- *Mud program requirements; and*
- *Special drilling operation (surface equipment placement) requirements associated with air drilling.*

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background
In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

RECEIVED January 26, 2010

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12-1/4 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 12-1/4 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 9-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements
The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements
Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements
Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Conclusion
The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. Other Information:

Please refer to the attached Drilling Program.

RECEIVED January 26, 2010

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	June 15, 2009	
WELL NAME	**Bonanza 1023-10H1BS**		TD	7,900' TVD	7,957' MD
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	FINISHED ELEVATION	5,434'
SURFACE LOCATION	NE/4 NE/4	1,199' FNL	241' FEL	Sec 10 T 10S	R 23E
	Latitude:	39.967389	Longitude:	-109.304517	NAD 83
BTM HOLE LOCATION	SE/4 NE/4	1,505' FNL	600' FEL	Sec 10 T 10S	R 23E
	Latitude:	39.966550	Longitude:	-109.305794	NAD 83
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: BLM (Minerals), BLM (Surface), UDOGM Tri-County Health Dept.				

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		20'		14"	
			12-1/4"	9-5/8", 36#, J-55, LTC	Air mist

All water flows encountered while drilling will be reported to the appropriate agencies.

Green River @	981'
Top of Birds Nest @	1,372
Mahogany @	1,871
Preset f/ GL @	2,075' MD

Note: 12.25" surface hole will usually be drilled ±400' below the lost circulation zone (aka bird's nest). Drilled depth may be ±200' of the estimated set depth depending on the acutal depth of the loss zone.

Wasatch @	4,007'
Mverde @	5,849' TVD
MVU2 @	6,818' TVD
MVU1 @	7,359' TVD

Mud logging program TBD

Cased hole logging program from TD - surf csg

7-7/8"	4-1/2" 11.6# I-80 or equivalent LTC csg	Water / Fresh Water Mud 8.3-11.6 ppg

Max anticipated Mud required 11.6 ppg

TD @ 7,900' TVD 7,957' MD

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								3,520	2,020	453,000
SURFACE	9-5/8"	0	to	2,075	36.00	J-55	LTC	1.15	2.08	7.72
								7,780	6,350	201,000
PRODUCTION	4-1/2"	0	to	7,957	11.60	I-80	LTC	2.57	1.33	2.50

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

2) MASP (Prod Casing) = Pore Pressure at TD - (0.22 psi/ft-partial evac gradient x TD)
(Burst Assumptions: TD = 11.6 ppg) 0.22 psi/ft = gradient for partially evac wellbore
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MASP 2,938 psi

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD
(Burst Assumptions: TD = 11.6 ppg) 0.59 psi/ft = bottomhole gradient
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MABHP 4,710 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1			+ 0.25 pps flocele				
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	380	0%	15.60	1.18
			+ 2% CaCl + 0.25 pps flocele				
			Premium cmt + 2% CaCl				
SURFACE			**NOTE: If well will circulate water to surface, option 2 will be utilized**				
Option 2	LEAD	1,575'	65/35 Poz + 6% Gel + 10 pps gilsonite	370	35%	12.60	1.81
			+ 0.25 pps Flocele + 3% salt BWOW				
	TAIL	500'	Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ 0.25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,507'	Premium Lite II + 3% KCl + 0.25 pps	330	40%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	4,450'	50/50 Poz/G + 10% salt + 2% gel	1,090	40%	14.30	1.31
			+ 0.1% R-3				

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained
*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

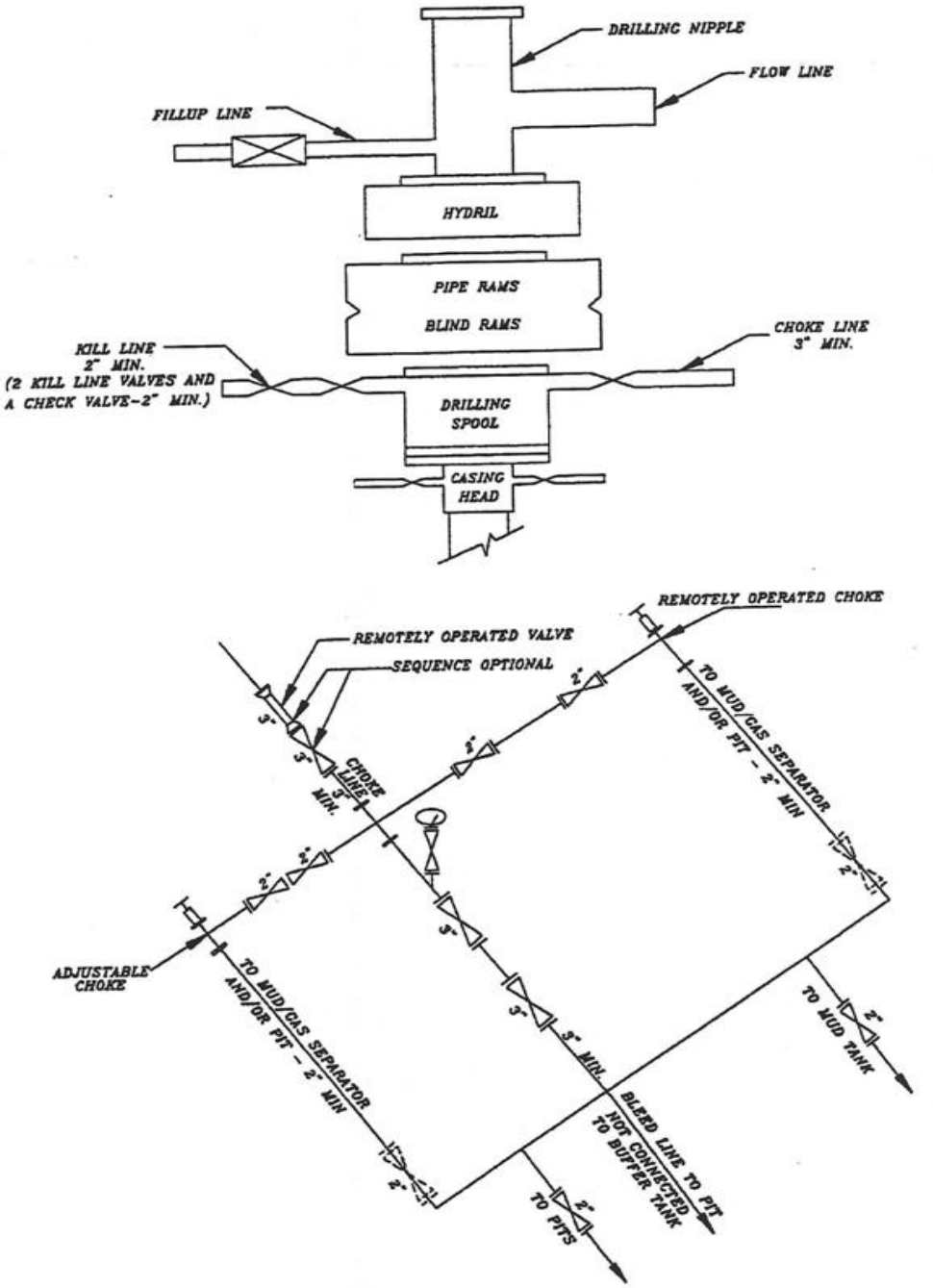
Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____ **DATE:** _____
John Huycke / Emile Goodwin

DRILLING SUPERINTENDENT: _____ **DATE:** _____
John Merkel / Lovel Young

EXHIBIT A
Bonanza 1023-10H1BS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

RECEIVED January 26, 2010

API Well No: 43047505170000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU 40736

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Bonanza 1023-10H1BS

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047505170000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1199 FNL 0241 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 10 Township: 10.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 2/12/2010	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	✓ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee) respectfully requests to change the cement program for this well due to a revised drilling procedure. The production casing will still be cemented it's entire length to the surface. Please see the attached drilling program for additional details. All other information remains the same. Please contact the undersigned with any questions and/or comments. Thank you.

Accepted by the Utah Division of Oil, Gas and Mining

Date: February 17, 2010

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Danielle Piernot	720 929-6156	Regulatory Analyst
SIGNATURE		**DATE**
N/A		2/11/2010

RECEIVED February 11, 2010

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	February 11, 2010	
WELL NAME	**Bonanza 1023-10H1BS**		TD	7,900' TVD	7,957' MD
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	FINISHED ELEVATION	5,434'
SURFACE LOCATION	NE/4 NE/4	1,199' FNL	241' FEL	Sec 10 T 10S R 23E	
	Latitude:	39.967389	Longitude:	-109.304517	NAD 83
BTM HOLE LOCATION	SE/4 NE/4	1,505' FNL	600' FEL	Sec 10 T 10S R 23E	
	Latitude:	39.966550	Longitude:	-109.305794	NAD 83
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: BLM (Minerals), BLM (Surface), UDOGM Tri-County Health Dept.				

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'	14"		
			11"	8-5/8", 28#, IJ-55, LTC	Air mist

All water flows encountered while drilling will be reported to the appropriate agencies.

Green River @	981'
Top of Birds Nest @	1,372
Mahogany @	1,871
Preset f/ GL @	2,020' MD

Note: 11" surface hole will usually be drilled ±400' below the lost circulation zone (aka bird's nest). Drilled depth may be ±200' of the estimated set depth depending on the acutal depth of the loss zone.

Wasatch @	4,007'
Mverde @	5,849' TVD
MVU2 @	6,818' TVD
MVU1 @	7,359' TVD

Mud logging program TBD

Cased hole logging program from TD - surf csg

7-7/8"	4-1/2" 11.6# I-80 or equivalent BTC csg	Water / Fresh Water Mud 8.3-11.6 ppg

Max anticipated Mud required 11.6 ppg

TD @ 7,900' TVD 7,957' MD

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								3,390	1,880	348,000
SURFACE	8-5/8"	0	to	2,020	28.00	IJ-55	LTC	1.11	1.99	6.09
								7,780	6,350	278,000
PRODUCTION	4-1/2"	0	to	7,957	11.60	I-80	BTC	2.57	1.33	3.45

*Burst on suface casing is controlled by fracture gradient as shoe with gas gradient above. D.F. = 2.66

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

2) MASP (Prod Casing) = Pore Pressure at TD - (0.22 psi/ft-partial evac gradient x TD)
(Burst Assumptions: TD = 11.6 ppg) 0.22 psi/ft = gradient for partially evac wellbore
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MASP 2,938 psi

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD
(Burst Assumptions: TD = 11.6 ppg) 0.59 psi/ft = bottomhole gradient
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MABHP 4,710 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1			+ 0.25 pps flocele				
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	260	0%	15.60	1.18
			+ 2% CaCl + 0.25 pps flocele				
			Premium cmt + 2% CaCl				
SURFACE			**NOTE: If well will circulate water to surface, option 2 will be utilized**				
Option 2	LEAD	1,520'	65/35 Poz + 6% Gel + 10 pps gilsonite	290	35%	12.60	1.81
			+ 0.25 pps Flocele + 3% salt BWOW				
	TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.60	1.18
			+ 0.25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	5,347'	Premium Lite II +0.25 pps	460	40%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	2,610'	50/50 Poz/G + 10% salt + 2% gel	640	40%	14.30	1.31
			+ 0.1% R-3				

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____ **DATE:** _____
John Huycke / Emile Goodwin

DRILLING SUPERINTENDENT: _____ **DATE:** _____
John Merkel / Lovel Young

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **KERR-McGEE OIL & GAS COMPANY, L. P.**

Well Name: **BONANZA 1023-10H1BS**

Api No: **43-047-50517** Lease Type: **FEDERAL**

Section **10** Township **10S** Range **23E** County **UINTAH**

Drilling Contractor **PETE MARTIN DRLG** RIG # **BUCKET**

SPUDDED:

Date **02/22/2010**

Time **11:00 AM**

How **DRY**

Drilling will Commence:

Reported by **TIM HINES**

Telephone # **(435) 828-1691**

Date **02/24/2010** **Signed** **CHD**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP
Operator Account Number: N 2995
Address: P.O. Box 173779
city DENVER
state CO zip 80217
Phone Number: (720) 929-6100

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750517	BONANZA 1023-10H1BS		NENE	10	10S	23E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	17514	2/22/2010			2/25/10	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 2/22/2010 AT 11:00 HRS. BHL= SENE

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750516	BONANZA 1023-10A4BS		NENE	10	10S	23E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	17515	2/22/2010			2/25/10	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 2/22/2010 AT 12:30 HRS. BHL= NENE

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750518	BONANZA 1023-10H2DS		NENE	10	10S	23E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	17516	2/22/2010			2/25/10	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 2/22/2010 AT 14:00 HRS. BHL= SENE

ACTION CODES:
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

ANDY LYTLE
Name (Please Print)
Signature
REGULATORY ANALYST
Title
2/24/2010
Date

RECEIVED
FEB 24 2010
DIV. OF OIL, GAS & MINING

(5/2000)

API Well No: 43047505170000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU 40736

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Bonanza 1023-10H1BS

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047505170000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1199 FNL 0241 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 10 Township: 10.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ SPUD REPORT Date of Spud: 2/22/2010	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" SCHEDULE 10 PIPE. CMT W/28 SX READY MIX. SPUD WELL LOCATION ON 2/22/2010 AT 11:00 HRS.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

February 25, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 2/24/2010

RECEIVED February 24, 2010

API Well No: 43047505170000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU 40736

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Bonanza 1023-10H1BS

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047505170000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1199 FNL 0241 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 10 Township: 10.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 3/2/2010	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PROPETRO AIR RIG ON 02/25/2010. DRILLED 11" SURFACE HOLE TO 2026'. RAN 8 5/8 28# J-55 SURFACE CASING. TEST LINES TO 2000 PSI. PUMP 125 BBLS OF H20 AND 20 BBLS OF GEL WATER. PUMP 225 SX OF 15.8 PPG, 1.15 YIELD CLASS G PREMIUM LITE TAIL CEMENT. DROP PLUG ON FLY. DISPLACE W/ 119 BBLS OF FRESH WATER. 50 PSI LIFT, NO RETURNS. BUMP PLUG W/ 490 PSI. PUMP 100 SX OF 15.8 PPG, 1.15 YIELD CLASS G PREMIUM LITE TAIL CEMENT. WAIT 2 HOURS, PUMP 125 SX OF SAME CEMENT. NO CEMENT TO SURFACE, WILL TOP OUT W/ REDIMIX. WORT.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

March 02, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Laura Gianakos	307 752-1169	Regulatory Affairs Supervisor
SIGNATURE N/A		**DATE** 3/2/2010

RECEIVED March 02, 2010

API Well No: 43047505170000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

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Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
March 23, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 3/23/2010

RECEIVED March 23, 2010

API Well No: 43047505170000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

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FOR RECORD ONLY

March 02, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Laura Gianakos	307 752-1169	Regulatory Affairs Supervisor
SIGNATURE N/A		**DATE** 3/2/2010

RECEIVED March 02, 2010

API Well No: 43047505170000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

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Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
March 23, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 3/23/2010

RECEIVED March 23, 2010

API Well No: 43047505170000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

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COUNTY: UINTAH

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✓ DRILLING REPORT Report Date: 5/16/2010	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
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	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON MAY 16, 2010 AT 9:45 A.M. THE CHRONOLOGICAL WELL HISTORY WILL BE SUBMITTED WITH THE WELL COMPLETION REPORT.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
May 18, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 5/17/2010

RECEIVED May 17, 2010

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. UTU40736

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator KERR-MCGEE OIL&GAS ONSHORE LP Contact: ANDY LYTLE Mail: andrew.lytle@anadarko.com

8. Lease Name and Well No. BONANZA 1023-10H1BS

3. Address P.O. BOX 173779 DENVER, CO 80217

3a. Phone No. (include area code) Ph: 720-929-6100

9. API Well No. 43-047-50517

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface NENE 1199FNL 241FEL 39.96739 N Lat, 109.30452 W Lon

BHL reviewed by HSM

At top prod interval reported below SENE 1493FNL 606FEL

At total depth SENE ~~1514~~ 2514FNL 609FEL

10. Field and Pool, or Exploratory NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area Sec 10 T10S R23E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 02/22/2010

15. Date T.D. Reached 03/19/2010

16. Date Completed ☐ D & A ☒ Ready to Prod. 05/16/2010

17. Elevations (DF, KB, RT, GL)* 5434 GL

18. Total Depth: MD 8090 TVD 8039

19. Plug Back T.D.: MD 8030 TVD 7979

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR/CBL - DSN/SDL/ACTR

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☐ No ☒ Yes (Submit analysis)

23. Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20.000	14.000 STEEL	36.7		40		28			
11.000	8.625 IJ55	28.0		2043		450			
7.875	4.500 I80	11.6		8074		1525		80	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7382							

25. Producing Intervals / 26. Perforation Record

	Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)	MESAVERDE	6596	7778	6596 TO 7778	0.360	254	OPEN
B)							
C)							
D)							

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
6596 TO 7778	PMP 9,604 BBLS SLICK H20 & 346,817 LBS 30/50 SD.

RECEIVED
JUN 22 2010
DIV. OF OIL, GAS & MINING

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
05/16/2010	05/19/2010	24	→	0.0	2052.0	840.0			FLOWS FROM WELL

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
20/64	1275	1900.0	→	0	2052	840		PGW

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #87904 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
GREEN RIVER	1122				
BIRD'S NEST	1358				
MAHOGANY	1860				
WASATCH	4068	5795			
MESAVERDE	5795	8090	TD		

32. Additional remarks (include plugging procedure):
ATTACHED IS THE CHRONOLOGICAL WELL HISTORY AND FINAL SURVEY.

JUN 22 20..

DIV. OF OIL, GAS & MINING

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #87904 Verified by the BLM Well Information System.
For KERR-MCGEE OIL&GAS ONSHORE, LP, sent to the Vernal

Name *(please print)* ANDY LYTLE Title REGULATORY ANALYST

Signature (Electronic Submission) Date 06/14/2010

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

US ROCKIES REGION

Operation Summary Report

Well: BONANZA 1023-10H1BS [GREEN]	Spud Conductor: 2/22/2010	Spud Date: 2/26/2010
Project: UTAH-UINTAH	Site: BONANZA 1023-10A PAD	Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 2/1/2010	End Date: 3/20/2010
Active Datum: RKB @5,448.01ft (above Mean Sea Leve	UWI: NE/NE/0/10/S/23/E/10/0/0/6/PM/N/1,199.00/E/0/241.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
2/25/2010	15:00 - 23:30	8.50	DRLSUR	01	B	P		DRESS COND,INSTALL AIR BOWL,RIG UP,BUILD DITCH,R/U PUMPS,AIR COMP,BOSSTER , SET DOG HOUSE
	23:30 - 0:00	0.50	DRLSUR	06	A	P		P/U BIT # 1 SERIAL # 7019294, MUD MOTOR, 1.83 BEND SERIAL # 8034
2/26/2010	0:00 - 0:30	0.50	DRLSUR	06	A	P		P/U BIT # 1 SERIAL # 7019294, MUD MTR 1.83 BEND SERIAL # 8084
	0:30 - 1:30	1.00	DRLSUR	02	B	P		SPUD 11" HOLE @ 00:30HRS 2-26-2010, DRL F/ 44' TO 150'
	1:30 - 3:30	2.00	DRLSUR	06	A	P		L/D 6" TOOLS P/U MWD DIR TOOLS
	3:30 - 21:30	18.00	DRLSUR	02	D	P		DRL/W MWD F/44' TO 2070' TD,(2026')=112' HR WOB=22,ROT=55,MTR=105,GPM=650,PP=1400 ON/1100/OFF,UP/DWN/ROT=65/65/65
	21:30 - 23:30	2.00	DRLSUR	05	A	P		CIRC,TO LDDS
	23:30 - 0:00	0.50	DRLSUR	06	D	P		LDDS
2/27/2010	0:00 - 3:00	3.00	DRLSUR	06	D	P		LDDS,BHA,DIR TOOLS
	3:00 - 6:00	3.00	DRLSUR	12	C	P		SAFETY MTNG, RUN 46 JOINTS 8 5/8 32# J-55 CSNG, SHOE @ 2031.35' BAFFLE IN TOP OF SHOE JOINT @ 1987.45' RELEASE RIG TO THE BONANZA 1023-10A4BS - 2-27-2010 @ 06:00 AM
	6:00 - 9:00	3.00	DRLSUR	12	C	P		HELD SAFETY MTNG,PRESS TEST TO 2000 PSI,PUMP 125 BBLS H20,PUMP 20 BBLS GEL WATER,PUMP225X 15.8 # 1.15 YLD 5 GAL/SK TAIL CMNT DROP PLUG ON FLY DISP W/ 119 BBLS FRESH WATER 50 PSI LIFT NO RETURNS, BUMP PLUG W / 490 PSI, TOP OUT 125 SX OF 15.8#. 1.15 YLD 5 GAL SK 4% CALC CMNT, NO CEMENT TO SURFACE WILL TOP OUT WITH REDIMIX.
3/13/2010	13:00 - 0:00	11.00	DRLPRO	01	E	P		R/D RIG GET READY FOR MOVE THIS AM W/ JONES TRUCKING.
3/14/2010	0:00 - 6:30	5.50	DRLPRO	01	E	P		R/D GET READY FOR MOVE & WELD BRACKETS IN DERRRICK FOR NEW CROWN SAVER -
	6:30 - 0:00	17.50	DRLPRO	01	A	P		HELD S/M W/ RW JONES CREWS & ENSIGN CREWS & STARTED RIG MOVE @ 07:00 & LAST TRUCK OUT @ 16:00 HRS - RAISE DERRICK & CONT TO R/U & WORK ON RIG SMART.
3/15/2010	0:00 - 8:30	8.50	DRLPRO	01	G	P		FINISH RIGGING UP & UPGRADE RIG SMART & REPROGRAM.
	8:30 - 10:30	2.00	DRLPRO	14	A	P		N/U B.O.P'S & FLARE LINES
	10:30 - 15:00	4.50	DRLPRO	15	A	P		TEST B.O.P'S - PIPE - BLINDS - HCR - 4" - 2" VALVES - TO 250 LOW - 5000 HIGH - ANNULAR 250 LOW - 2500 HIGH & CASING 1500 PSI
	15:00 - 15:30	0.50	DRLPRO	14	B	P		SET WEAR BUSHING
	15:30 - 21:00	5.50	DRLPRO	06	A	P		P/U MUD MOTOR & BIT & DIR TOOLS & BHA & D.P TAG CEMENT @ 1920
	21:00 - 22:00	1.00	DRLPRO	02	F	P		DRILL CEMENT & F.E
	22:00 - 0:00	2.00	DRLPRO	02	D	P		DIR DRILL F/ 2080 TO 2293 - 213' @ 106.5 FPH W/ 8.4 MUD WT - RPM 45 - MRPM 141 - WOB 15/18 - TQ 5/3 - GPM 487
3/16/2010	0:00 - 11:00	11.00	DRLPRO	02	D	P		DIR DRILL F/ 2293 TO 3741 - 1448' @ 131.6 FPH - W/ 8.4 MUD WT - RPM 45 - MRPM 141 -WOB 15/18 - TQ 10/6 - GPM 487
	11:00 - 11:30	0.50	DRLPRO	08	B	P		ELECTRICAL AUX CORD ON # 1 PUMP - IT RUN LINER WASHER - BLOWERS - OIL PUMPS.
	11:30 - 12:00	0.50	DRLPRO	07	A	P		SER RIG

US ROCKIES REGION

Operation Summary Report

Well: BONANZA 1023-10H1BS [GREEN]	Spud Conductor: 2/22/2010	Spud Date: 2/26/2010
Project: UTAH-UINTAH	Site: BONANZA 1023-10A PAD	Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 2/1/2010	End Date: 3/20/2010
Active Datum: RKB @5,448.01ft (above Mean Sea Leve	UWI: NE/NE/0/10/S/23/E/10/0/0/6/PM/N/1,199.00/E/0/241.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	12:00 - 0:00	12.00	DRLPRO	02	D	P		DIR DRILL F/ 3741 TO 5041 - 1300' @ 108.3 FPH W/ 8.4 MUD WT - RPM 45 - MRPM 129/141 - WOB 15/18 - TQ 12/7 - GPM 445/487
3/17/2010	0:00 - 13:00	13.00	DRLPRO	02	D	P		DIR DRILL F/5041 TO6072 ,AVG 79 ,WOB 18,GPM 500,DIFF300,PSI 1450/1800 ,TORQ 10K,RPM 175,STWT 180-160-150,9.3/37
	13:00 - 13:30	0.50	DRLPRO	07	A	P		DAILY SERVICE
	13:30 - 0:00	10.50	DRLPRO	02	D	P		DIR DRILL F/6072 TO 6800,AVG 69 ,WOB 18,GPM 500,DIFF 275,PSI 2300/2700 ,TORQ 11.5K,RPM 175,STWT 200-180-160,10.7/42
3/18/2010	0:00 - 11:00	11.00	DRLPRO	02	D	P		DIR DRILL F/6800 TO 7340,AVG 49 ,WOB 20,GPM 500,DIFF250,PSI 2550/2800 ,TORQ 11.5K,RPM 175,STWT 220-188-165,11.4/42
	11:00 - 12:00	1.00	DRLPRO	06	A	P		PUMPPILL POOH
	12:00 - 13:00	1.00	DRLPRO	08	A	Z		TROUBLE SHOOT PECO ANTI COLLISION SYSTEM
	13:00 - 16:00	3.00	DRLPRO	06	A	P		POOH,TO SHOE
	16:00 - 18:00	2.00	DRLPRO	08	A	Z		WORK ON PECO & RIG SMART SAFETY FEATURES,MUST BYPASS BOTH TEMORARLY TO LATCH ELEVATORS ON PIPE
	18:00 - 19:30	1.50	DRLPRO	06	A	P		TRIP OUT ,CHANGE BIT & MTR ,STAND BACK DIR TOOLS
	19:30 - 0:00	4.50	DRLPRO	06	A	P		TIH W/BIT #2
3/19/2010	0:00 - 2:00	2.00	DRLPRO	06	A	P		TIH,BREAK CIRC 4000',TIH TIGHT HOLE
	2:00 - 14:00	12.00	DRLPRO	02	D	P		DIR DRILL F/ 7340 TO TD 8090,AVG 53 ,WOB 20,GPM 500,DIFF300,PSI 2150/2450 ,TORQ 12-13K,RPM 110,STWT 230-188-165,11.7/42
	14:00 - 15:30	1.50	DRLPRO	06	E	P		PUMPPILL,SHORTTRIP 10 STNDSSTRAIGHT 240K OFF BTM,5' FILL
	15:30 - 17:00	1.50	DRLPRO	05	C	P		CIRC BTMS UP TWICE
	17:00 - 0:00	7.00	DRLPRO	06	B	P		,DROP SURVEY,POOH F/LOGS,FINAL SURVEY@7960'=1.9 DEG 145 AZI,PULL WEARRING
3/20/2010	0:00 - 6:30	6.50	EVALPR	11	D	P		RUN TRIPLE COMBO,WORK BRIDGE@7864 LOGGERS DEPTH 7864
	6:30 - 13:30	7.00	CSG	12	C	P		RUN 191 & 1MARKER TO 8074',LAND OUT
	13:30 - 14:30	1.00	CSG	05	D	P		CIRC BTMS UP F/CEMENT
	14:30 - 16:30	2.00	CSG	12	E	P		PUMP 40BBLSPACER,850SX LEAD#12.2 2.03YLD, 675 SX TAIL#14.3 1.22YLD,DISPLACE 125BBL CLAYFIX,FINAL LIFT 2200PSI,BUMPPLUG FLOATS HELD
	16:30 - 17:00	0.50	RDMO	14	A	P		FLUSH STACK,SET PACK OFFNDBOP
	17:00 - 20:00	3.00	RDMO	01	E	P		CLEAN PITS,RELEASE RIG 3/20/2010 20:00

US ROCKIES REGION
Operation Summary Report

Well: BONANZA 1023-10H1BS [GREEN]	Spud Conductor: 2/22/2010	Spud Date: 2/26/2010
Project: UTAH-UINTAH	Site: BONANZA 1023-10A PAD	Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 2/1/2010	End Date: 3/20/2010
Active Datum: RKB @5,448.01ft (above Mean Sea Leve	UWI: NE/NE/0/10/S/23/E/10/0/0/6/PM/N/1,199.00/E/0/241.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	20:00 - 20:00	0.00	RDMO					CONDUCTOR CASING: Cond. Depth set: 44 Cement sx used: SPUD DATE/TIME: 2/26/2010 11:00 SURFACE HOLE: Surface From depth:44 Surface To depth: 2,070 Total SURFACE hours: 19.00 Surface Casing size:8 5/8 # of casing joints ran: 46 Casing set MD:2,031.0 # sx of cement:450 Cement blend (ppg:)15.8 Cement yield (ft3/sk): 1.15 # of bbls to surface: Describe cement issues: 1 TOPOUTS REDI MIX ??? YARDS TO SURFACE Describe hole issues: PRODUCTION: Rig Move/Skid start date/time: 3/13/2010 13:00 Rig Move/Skid finish date/time:3/15/2010 8:30 Total MOVE hours: 43.5 Prod Rig Spud date/time: 3/15/2010 21:00 Rig Release date/time: 3/20/2010 20:00 Total SPUD to RR hours:119.0 Planned depth MD 8,090 Planned depth TVD 8,041 Actual MD: 8,090 Actual TVD: 8,039 Open Wells $: $639,307 AFE $: $624,715 Open wells $/ft:$79.02 PRODUCTION HOLE: Prod. From depth: 2,070 Prod. To depth:8,090 Total PROD hours: 73.5 Log Depth: 7864 Production Casing size: 4 1/2 # of casing joints ran: 192 Casing set MD:8,074.0 # sx of cement:1,525 Cement blend (ppg:)LEAD 12.2 10% - TAIL 14.3 - 20% Cement yield (ft3/sk): 2.03 - 1.22 Est. TOC (Lead & Tail) or 2 Stage : TAIL@5300 LEAD TOP EST 500' Describe cement issues: GOOD RETURNS ,NO CEMENT BACK TO SURFACE Describe hole issues: LOGS HIT BRIDGE@7864,FINAL MUD WT 11.9 DIRECTIONAL INFO: KOP: 105 Max angle: 13.85 Departure: 472.25 Max dogleg MD: 2704 5.03

US ROCKIES REGION

Operation Summary Report

Well: BONANZA 1023-10H1BS [GREEN]	Spud Conductor: 2/22/2010	Spud Date: 2/26/2010
Project: UTAH-UINTAH	Site: BONANZA 1023-10A PAD	Rig Name No: SWABBCO 1/1
Event: COMPLETION	Start Date: 5/10/2010	End Date: 5/14/2010
Active Datum: RKB @5,448.01ft (above Mean Sea Leve	UWI: NE/NE/0/10/S/23/E/10/0/0/6/PM/N/1,199.00/E/0/241.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
5/7/2010	7:00 - 15:00	8.00	COMP	37	B	P		HSM, WHEN P/T STAY BACK, MIRU B&C TESTERS, P/T CSG & FRAC VALVES TO 7500# [GOOD TEST] MIRU CUTTERS WIRE LINE P/U RIH W/ 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 7774'-7778' 4 SPF, 90* PH, 16 HOLES. 7703'-7706' 4 SPF, 90* PH, 12 HOLES. 7640'-7643' 3 SPF, 120* PH, 9 HOLES. 7600'-7602' 3 SPF, 120* PH, 6 HOLES [43 HOLES] READY TO FRAC SWI.
5/10/2010	6:30 - 7:00	0.50	COMP	48		P		HSM. FRACING & PERFORATING ON A PAD WELL.
	8:08 - 8:58	0.83	COMP	36	B	P		STG 1) WHP 600 PSI, BRK 3,587 PSI @ 4.6 BPM, ISIP 2,332 PSI, FG .74. PUMP 100 BBLS @ 50.2 BPM @ 4,292 PSI = 93% HOLES OPEN. MP 5,575 PSI, MR 51.3 BPM, AP 4,156 PSI, AR 50.7 BPM, ISIP 2173 PSI, FG .72. NPI -159 PSI. PUMP 1,295 BBLS OF SW & 37,572 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 42,572 LBS.
	10:47 - 11:55	1.13	COMP	36	B	P		STG 2) PU 4 1/2" HALLIBURTON CBP & 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. RIH SET CBP @ 7,572' & PERF 7,538'-42' 4SPF, 7,462'-66' 3SPF, 7,432'-36' 4SPF, 44 HOLES. WHP 1,980 PSI, BRK 2,845 PSI @ 4.8 BPM, ISIP 2,080 PSI, FG .71. PUMP 100 BBLS @ 54.8 BPM @ 4,800 PSI = 80% HOLES OPEN. MP 6,933 PSI, MR 55.1 BPM, AP 5,011 PSI, AR 54.9 BPM, ISIP 5,491 PSI, FG 1.2. NPI 3,411 PSI. PUMP 2,867 BBLS OF SW & 87,984 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 92,984 LBS. SCREENED OUT W / 84,984 LBS IN FORMATION & 8,000 LBS IN CASING. NO RESIN SAND. FLOW WELL BACK & RE FLUSH.
	14:58 - 15:25	0.45	COMP	36	B	P		STG 3) PU 4 1/2" HALLIBURTON CBP & 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET CBP @ 7,380' & PERF 7,346'-50' 4SPF, 7,322'-24' 4SPF, 7,280'-82' 4SPF, 7,210'-12' 4SPF, 4(HOLES. WHP 225 PSI, BRK 4,146 PSI @ 4.6 BPM, ISIP 2,077 PSI, FG .72. PUMP 100 BBLS @ 49.5 BPM @ 4,000 PSI = 74% HOLES OPEN. MP 6,453 PSI, MR 50.1 BPM, AP 4,646 PSI, AR 49.7 BPM, ISIP 1,890 PSI, FG .69. NPI -187 PSI. PUMP 1,177 BBLS OF SW & 39,504 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 44,504 LBS.
	16:00 - 17:00	1.00	COMP	37	C	P		STG 4) PU 4 1/2" HALLIBURTON CBP & 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET CBP @ 7,172' & PERF 7,138'-42' 4SPF, 7,063'-66' 4SPF, 7,040'-42' 4SPF, 7,022'-24' 4SPF, 4(HOLES.
5/11/2010	6:00 - 6:30	0.50	COMP	48		P		HSM. FRACING & PERFORATING ON A PAD WELL.

Operation Summary Report

Well: BONANZA 1023-10H1BS [GREEN]	Spud Conductor: 2/22/2010	Spud Date: 2/26/2010
Project: UTAH-UINTAH	Site: BONANZA 1023-10A PAD	Rig Name No: SWABBCO 1/1
Event: COMPLETION	Start Date: 5/10/2010	End Date: 5/14/2010
Active Datum: RKB @5,448.01ft (above Mean Sea Leve	UWI: NE/NE/0/10/S/23/E/10/0/0/6/PM/N/1,199.00/E/0/241.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:54 - 8:13	0.32	COMP	36	B	P		STG 4) WHP 1,320 PSI, BRK 1,904 PSI @ 4.7 BPM, ISIP 1,400 PSI, FG .64. PUMP 100 BBLS @ 50.7 BPM @ 3,900 PSI = 71% HOLES OPEN. MP 4,994 PSI, MR 54.2 BPM, AP 4,111 PSI, AR 52.6 BPM, ISIP 1,900 PSI, FG .74. NPI 500 PSI. PUMP 676 BBLS OF SW & 17,285 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 22,285 LBS.
	11:10 - 12:00	0.83	COMP	36	B	P		STG 5) PU 4 1/2" HALLIBURTON CBP & 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. RIH SET CBP @ 6,958' & PERF 6,926'-28' 3SPF, 6,900'-04' 3SPF, 6,840'-44' 4SPF, 6,806'-09' 3SPF, 4: HOLES. WHP 181 PSI, BRK 2,145 PSI @ 4.7 BPM, ISIP 1,570 PSI, FG .67. PUMP 100 BBLS @ 55 BPM @ 3,500 PSI = 100% HOLES OPEN. MP 4,670 PSI, MR 55.3 BPM, AP 3,756 PSI, AR 55 BPM, ISIP 1,725 PSI, FG .69. NPI 155 PSI. PUMP 2,251 BBLS OF SW & 83,876 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 88,876 LBS.
	14:20 - 14:50	0.50	COMP	36	B	P		STG 6) PU 4 1/2" HALLIBURTON CBP & 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET CBP @ 6,788' & PERF 6,756'-58' 4SPF, 6,726'-28' 4SPF, 6,694'-96' 4SPF, 6,622'-24' 4SPF, 6,596'-98' 4SPF, 40 HOLES. WHP 1,350 PSI, BRK 1,545 PSI @ 4.6 BPM, ISIP 1,350 PSI, FG .64. PUMP 100 BBLS @ 52 BPM @ 4,600 PSI = 71% HOLES OPEN. MP 5,715 PSI, MR 52.2 BPM, AP 3,990 PSI, AR 50 BPM, ISIP 2,020 PSI, FG .74. NPI 670 PSI. PUMP 1,338 BBLS OF SW & 50,596 LBS OF 30/50 SAND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 55,596 LBS.
	15:00 - 16:00	1.00	COMP	34	I	P		KILL PLG) PU 4 1/2" HALLIBURTON CBP & RIH SET CBP @ 6,546'. SWI RDMO. TOTAL PROP 346,817 LBS TOTAL WATER 9,604 BBLS.
5/13/2010	7:00 - 7:15	0.25	COMP	48				JSA APPLY CHAINS
	7:15 - 17:00	9.75	COMP	30				CHAIN UP RIG MOVE RIG & EQUIP TO 10A PAD SPOT RIG & EQUIP, RU RIG 0 PSI ON WELL ND FRAC VALVES NU BOPS RU FLOOR & TUB EQUIP SPOT IN TUBING, TALLEY & PU 208 JNTS OF 2-3/8" J-55 TUB TAG KILL PLUG @ 6546' RU PWR SWVL NU RIG PUMP PREP TO START DRILLING IN AM SWIFN.
5/14/2010	7:00 - 7:15	0.25	COMP	48		P		JSA= DRILL PLUGS

Operation Summary Report

Well: BONANZA 1023-10H1BS [GREEN]	Spud Conductor: 2/22/2010	Spud Date: 2/26/2010
Project: UTAH-UINTAH	Site: BONANZA 1023-10A PAD	Rig Name No: SWABBCO 1/1
Event: COMPLETION	Start Date: 5/10/2010	End Date: 5/14/2010
Active Datum: RKB @5,448.01ft (above Mean Sea Leve	UWI: NE/NE/0/10/S/23/E/10/0/0/6/PM/N/1,199.00/E/0/241.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:15 - 16:00	8.75	COMP	30		P		EST CIRC PRESS TEST TO 3000 PSI PLUG #1] DRILL THRU HALLI 8K CBP @ 6546' IN 9 MIN W/ 50# INCREASE PLUG#2] CONTINUE TO RIH TAG SAND @ 6738' (50' FILL) C/O & DRILL THRU HALLI 8K CBP @6788' IN 7 MIN W/ 60 # INCREASE PLUG#3] CONTINUE TO RIH TAG SAND @ 6874' (84' FILL) C/O & DRILL THRU HALLI 8K CBP @ 6958' IN 10 MIN W/ 200 # INCREASE PLUG#4] CONTINUE TO RIH TAG SAND @ 7149' (23' FILL) C/O & DRILL THRU HALLI 8K CBP @7172' IN 7 MIN W/ 500 # INCREASE PLUG#5] CONTINUE TO RIH TAG SAND @ 7350' (30' FILL) C/O & DRILL THRU HALLI 8K CBP @7380' IN 15 MIN W/350 # INCREASE PLUG#6] CONTINUE TO RIH TAG SAND @ 7542' (30' FILL) C/O & DRILL THRU HALLI 8K CBP @7572' IN 20 MIN W/ 400 # INCREASE CONTINUE TO RIH C/O TO PBTD @ 8031' CIRC CLEAN POOH LAY DOWN 21 JNTS LAND TUBING ON HANGER W/ 234 JNTS EOT @ 7382.46' RD FLOOR & TUBING EQUIP ND BOPS NU WELLHEAD DROP BALL PUMP OFF BIT SUB @ 1700 PSI WAIT 30 MIN FOR BIT TO FALL TURN WELL OVER TO FBC @ 13:40 RIG DOWN MOVE TO 10A4BS USED 234 JNTS , 44 JNTS ON FLOAT, 2 BAD JNTS ON GROUND TOTAL FLUID PUMPED= 9604 BBLS RIG REC = 900 BBLS LEFT TO REC= 8704 BBLS KB= 13.00 HANGER= 1.00 234 JNTS OF 2-3/8" J-55 = 7366.26 POBS= 2.20 EOT= 7382.46
5/15/2010	7:00 -			33		A		7 AM FLBK REPORT: CP 2600#, TP 1475#, 20/64" CK, 55 BWPH, HEAVY SAND, LIGHT GAS TTL BBLS RECOVERED: 1155 BBLS LEFT TO RECOVER: 8449
5/16/2010	7:00 -			33		A		7 AM FLBK REPORT: CP 2350#, TP 1525#, 20/64" CK, 35 BWPH, MED SAND, HEAVY GAS TTL BBLS RECOVERED: 2365 BBLS LEFT TO RECOVER: 7089
	9:45 -		PROD	50				WELL TURNED TO SALES @ 0945 HR ON 5/16/10 - 1600 MCFD, 840 BWPD, CP 2350#, FTP 1525#, CK 20/64"
5/17/2010	7:00 -			33		A		7 AM FLBK REPORT: CP 2175#, TP 1450#, 20/64" CK, 25 BWPH, LIGHT SAND, 1980 GAS TTL BBLS RECOVERED: 3044 BBLS LEFT TO RECOVER: 6410

US ROCKIES REGION

Operation Summary Report

Well: BONANZA 1023-10H1BS [GREEN]	Spud Conductor: 2/22/2010	Spud Date: 2/26/2010
Project: UTAH-UINTAH	Site: BONANZA 1023-10A PAD	Rig Name No: SWABBCO 1/1
Event: COMPLETION	Start Date: 5/10/2010	End Date: 5/14/2010
Active Datum: RKB @5,448.01ft (above Mean Sea Leve	UWI: NE/NE/0/10/S/23/E/10/0/0/6/PM/N/1,199.00/E/0/241.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
5/18/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 2000#, TP 1350#, 20/64" CK, 20 BWPH, TRACE SAND, 2055 GAS TTL BBLS RECOVERED: 4477 BBLS LEFT TO RECOVER: 5877
5/19/2010	7:00 -		PROD					WELL IP'D ON 5/19/10 - 2052 MCFD, 0 BOPD, 840 BWPD, CP 1900#, FTP 1275#, CK 20/64", LP 76#, 24 HRS
	7:00 -			33	B			7 AM FLBK REPORT: CP 1900#, TP 1275#, 20/64" CK, 16 BWPH, TRACE SAND, 2069 GAS TTL BBLS RECOVERED: 4888 BBLS LEFT TO RECOVER: 5466

Scientific Drilling
Rocky Mountain Operations

END OF WELL REPORT

Prepared For:

Kerr McGee Oil & Gas Onshore LP
Bonanza 1023-10H1BS
Bonanza 1023-10A Pad
Ensign 139
Uintah County, UT

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Scientific Drilling
Rocky Mountain Operations

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Scientific Drilling
Rocky Mountain Operations

Project: Uintah County, UT UTM12
Site: Bonanza 1023-10A Pad
Well: Bonanza 1023-10H1BS
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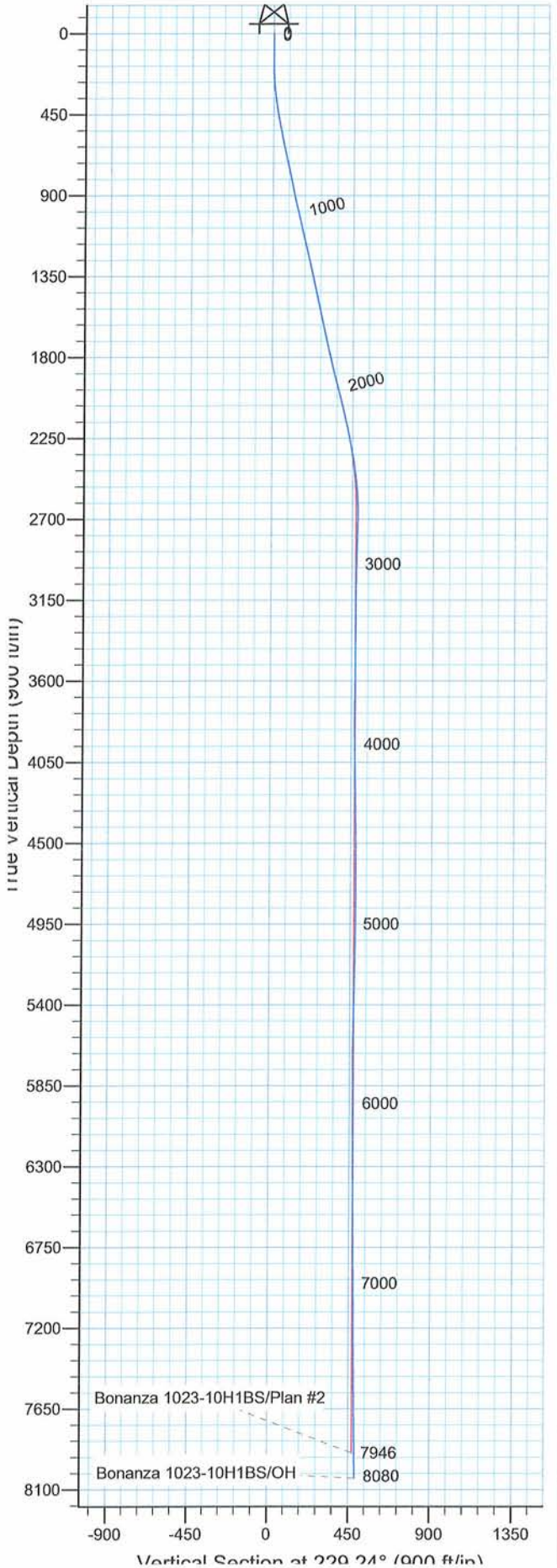
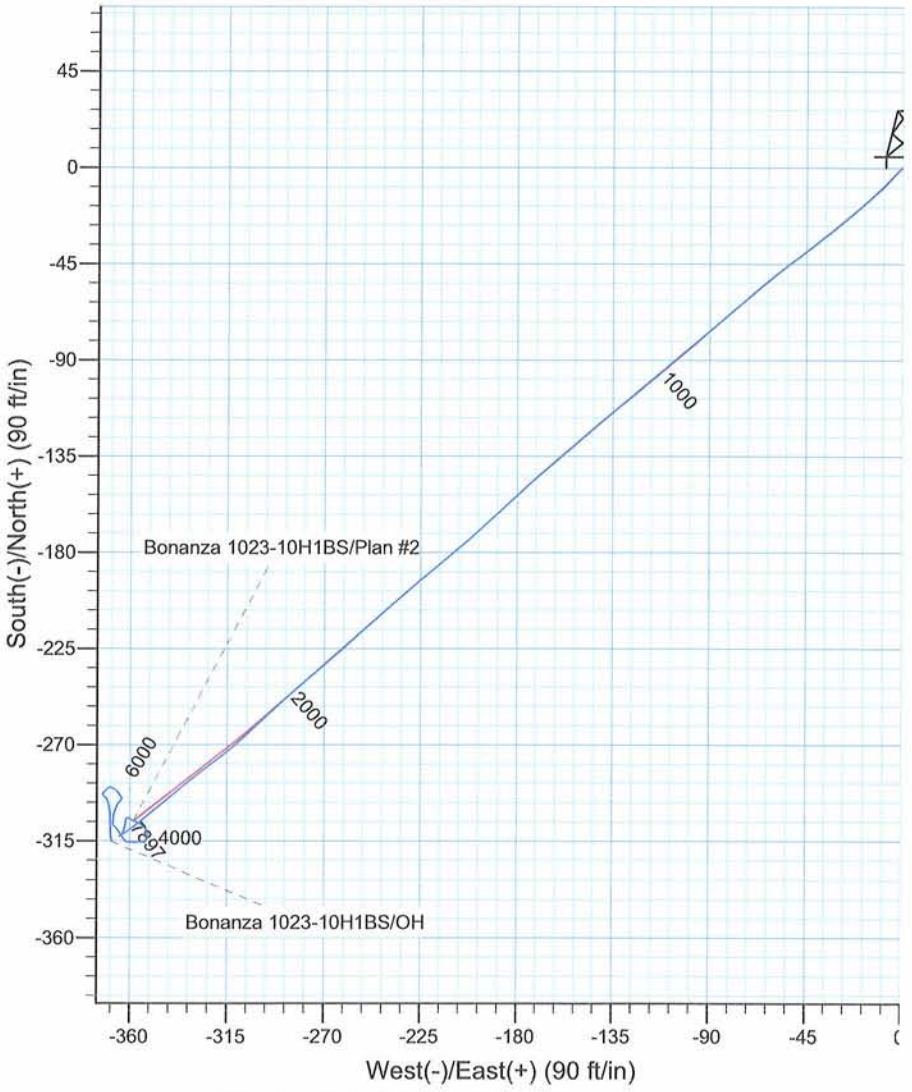
Design: OH

Kerr McGee Oil and Gas Onshore LP





WELL DETAILS: Bonanza 1023-10H1BS

Ground Level: GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	14518701.13	2115678.62	39° 58' 2.719 N	109° 18' 13.820 W

REFERENCE INFORMATION

Co-ordinate (N/E) Reference:	Well Bonanza 1023-10H1BS, True North
Vertical (TVD) Reference:	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139
Section (VS) Reference:	Slot - (0.00N, 0.00E)
Measured Depth Reference:	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139
Calculation Method:	Minimum Curvature
Local North:	True
Location:	Sec 10 T10S R23E

PROJECT DETAILS: Uintah County, UT UTM12

Geodetic System:	Universal Transverse Mercator (US Survey Feet)
Datum:	NAD 1927 - Western US
Ellipsoid:	Clarke 1866
Zone:	Zone 12N (114 W to 108 W)

Design: OH (Bonanza 1023-10H1BS/OH)

Created By: Rex Hall Date: 2010-04-12

Scientific Drilling
Rocky Mountain Operations

Kerr McGee Oil and Gas Onshore LP

Uintah County, UT UTM12
Bonanza 1023-10A Pad
Bonanza 1023-10H1BS
OH

Design: OH

Standard Survey Report

12 April, 2010

Anadarko
Petroleum Corporation

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Site:	Bonanza 1023-10A Pad	**MD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Well:	Bonanza 1023-10H1BS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Project	Uintah County, UT UTM12		
Map System:	Universal Transverse Mercator (US Survey Feet)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 - Western US		
Map Zone:	Zone 12N (114 W to 108 W)		

Site	Bonanza 1023-10A Pad, Sec 10 T10S R23E				
Site Position:		**Northing:**	14,518,701.13 ft	**Latitude:**	39° 58' 2.719 N
From:	Lat/Long	**Easting:**	2,115,678.62 ft	**Longitude:**	109° 18' 13.820 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	in	**Grid Convergence:**	1.09 °

Well	Bonanza 1023-10H1BS, 1199' FNL & 241' FEL					
Well Position	**+N/-S**	0.00 ft	**Northing:**	14,518,701.13 ft	**Latitude:**	39° 58' 2.719 N
	+E/-W	0.00 ft	**Easting:**	2,115,678.62 ft	**Longitude:**	109° 18' 13.820 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	5,434.00 ft

Wellbore	OH				
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF2005-10	12/31/2009	11.16	65.93	52,510

Design	OH					
Audit Notes:						
Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	10.00	
Vertical Section:	**Depth From (TVD) (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Direction (°)**		
	10.00	0.00	0.00	229.24		

Survey Program **Date** 4/12/2010

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
105.00	2,015.00	Survey #1 - Surface (OH)	MWD SDI	MWD - Standard ver 1.0.1
2,070.00	8,090.00	Survey #2 - Production MWD (OH)	MWD SDI	MWD - Standard ver 1.0.1

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00
105.00	0.30	276.77	105.00	0.03	-0.25	0.17	0.32	0.32	0.00
First SDI Surface MWD Survey									
134.00	0.26	270.65	134.00	0.04	-0.39	0.27	0.17	-0.14	-21.10
163.00	0.67	224.42	163.00	-0.08	-0.57	0.49	1.81	1.41	-159.41
192.00	1.55	227.15	191.99	-0.47	-0.98	1.05	3.04	3.03	9.41
221.00	2.52	223.56	220.97	-1.20	-1.71	2.07	3.37	3.34	-12.38
249.00	3.52	224.21	248.93	-2.26	-2.73	3.54	3.57	3.57	2.32
279.00	4.48	222.81	278.86	-3.78	-4.17	5.62	3.22	3.20	-4.67
308.00	5.55	224.05	307.75	-5.62	-5.91	8.15	3.71	3.69	4.28
338.00	6.55	224.08	337.58	-7.89	-8.11	11.30	3.33	3.33	0.10
367.00	7.56	226.08	366.36	-10.40	-10.64	14.86	3.58	3.48	6.90

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Site:	Bonanza 1023-10A Pad	**MD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Well:	Bonanza 1023-10H1BS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
397.00	8.53	227.57	396.07	-13.27	-13.70	19.04	3.31	3.23	4.97
425.00	9.35	228.51	423.73	-16.18	-16.94	23.39	2.97	2.93	3.36
454.00	10.22	228.92	452.30	-19.43	-20.64	28.32	3.01	3.00	1.41
484.00	10.87	229.18	481.80	-23.03	-24.79	33.81	2.17	2.17	0.87
514.00	11.49	230.12	511.23	-26.79	-29.22	39.63	2.15	2.07	3.13
544.00	11.65	231.29	540.62	-30.60	-33.88	45.64	0.95	0.53	3.90
574.00	11.67	232.84	570.00	-34.33	-38.66	51.70	1.05	0.07	5.17
604.00	11.70	232.85	599.38	-38.00	-43.50	57.76	0.10	0.10	0.03
634.00	11.72	232.83	628.75	-41.68	-48.35	63.84	0.07	0.07	-0.07
665.00	11.85	232.65	659.10	-45.51	-53.39	70.16	0.44	0.42	-0.58
695.00	11.91	231.50	688.46	-49.31	-58.26	76.33	0.81	0.20	-3.83
725.00	11.89	230.25	717.81	-53.21	-63.06	82.51	0.86	-0.07	-4.17
755.00	11.95	229.05	747.17	-57.22	-67.79	88.70	0.85	0.20	-4.00
845.00	12.29	229.21	835.16	-69.59	-82.08	107.60	0.38	0.38	0.18
935.00	12.72	229.31	923.02	-82.31	-96.84	127.09	0.48	0.48	0.11
1,025.00	13.29	229.54	1,010.72	-95.48	-112.22	147.34	0.64	0.63	0.26
1,115.00	13.06	230.11	1,098.35	-108.71	-127.90	167.85	0.29	-0.26	0.63
1,205.00	13.50	230.27	1,185.94	-121.95	-143.78	188.52	0.49	0.49	0.18
1,295.00	13.12	229.43	1,273.52	-135.31	-159.62	209.24	0.47	-0.42	-0.93
1,385.00	12.44	228.19	1,361.29	-148.41	-174.60	229.15	0.81	-0.76	-1.38
1,475.00	12.18	226.40	1,449.22	-161.42	-188.70	248.32	0.51	-0.29	-1.99
1,565.00	11.96	228.70	1,537.23	-174.12	-202.58	267.13	0.59	-0.24	2.56
1,655.00	12.18	230.62	1,625.24	-186.30	-216.93	285.95	0.51	0.24	2.13
1,745.00	12.52	229.37	1,713.16	-198.68	-231.67	305.19	0.48	0.38	-1.39
1,835.00	13.26	228.67	1,800.89	-211.85	-246.82	325.27	0.84	0.82	-0.78
1,925.00	13.62	227.88	1,888.43	-225.77	-262.44	346.19	0.45	0.40	-0.88
2,015.00	13.85	228.78	1,975.86	-239.98	-278.40	367.55	0.35	0.26	1.00
Last SDI Surface MWD Survey									
2,070.00	13.98	228.33	2,029.24	-248.73	-288.31	380.78	0.31	0.24	-0.82
First SDI Production MWD Survey									
2,161.00	13.28	225.51	2,117.68	-263.36	-303.98	402.20	1.06	-0.77	-3.10
2,251.00	12.93	232.98	2,205.34	-276.67	-319.39	422.56	1.92	-0.39	8.30
2,342.00	11.52	230.26	2,294.28	-288.61	-334.51	441.81	1.67	-1.55	-2.99
2,432.00	8.97	230.00	2,382.83	-298.87	-346.80	457.81	2.83	-2.83	-0.29
2,523.00	6.33	230.79	2,473.02	-306.60	-356.12	469.92	2.90	-2.90	0.87
2,613.00	3.96	237.82	2,562.65	-311.39	-362.60	477.96	2.72	-2.63	7.81
2,704.00	0.62	49.47	2,653.58	-312.75	-364.88	480.57	5.03	-3.67	188.63
2,795.00	0.53	77.24	2,744.58	-312.34	-364.10	479.71	0.32	-0.10	30.52
2,885.00	2.37	21.08	2,834.55	-310.51	-363.02	477.70	2.36	2.04	-62.40
2,976.00	1.67	9.13	2,925.49	-307.44	-362.14	475.03	0.89	-0.77	-13.13
3,066.00	0.79	358.93	3,015.47	-305.53	-361.94	473.63	1.00	-0.98	-11.33
3,157.00	0.53	32.33	3,106.47	-304.54	-361.73	472.82	0.50	-0.29	36.70
3,247.00	0.44	79.18	3,196.46	-304.13	-361.17	472.13	0.44	-0.10	52.06
3,338.00	0.53	121.27	3,287.46	-304.28	-360.46	471.69	0.39	0.10	46.25
3,429.00	0.62	131.03	3,378.46	-304.82	-359.73	471.49	0.15	0.10	10.73
3,519.00	0.88	94.56	3,468.45	-305.20	-358.67	470.94	0.59	0.29	-40.52
3,610.00	1.14	127.78	3,559.43	-305.81	-357.26	470.27	0.69	0.29	36.51
3,700.00	0.97	119.25	3,649.42	-306.73	-355.89	469.83	0.26	-0.19	-9.48
3,791.00	1.41	118.55	3,740.40	-307.64	-354.23	469.17	0.48	0.48	-0.77
3,881.00	1.58	151.16	3,830.37	-309.25	-352.66	469.04	0.95	0.19	36.23
3,972.00	1.49	169.79	3,921.34	-311.52	-351.85	469.90	0.55	-0.10	20.47
4,062.00	0.79	183.33	4,011.32	-313.29	-351.68	470.92	0.83	-0.78	15.04
4,153.00	0.79	222.26	4,102.31	-314.38	-352.14	471.98	0.58	0.00	42.78
4,243.00	1.85	253.11	4,192.29	-315.26	-353.94	473.93	1.38	1.18	34.28

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Site:	Bonanza 1023-10A Pad	**MD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Well:	Bonanza 1023-10H1BS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,334.00	2.20	274.29	4,283.23	-315.56	-357.09	476.50	0.90	0.38	23.27
4,425.00	2.02	267.44	4,374.17	-315.50	-360.43	479.00	0.34	-0.20	-7.53
4,515.00	1.41	332.21	4,464.14	-314.59	-362.54	480.00	2.12	-0.68	71.97
4,606.00	1.23	322.81	4,555.11	-312.82	-363.65	479.68	0.31	-0.20	-10.33
4,696.00	0.97	330.45	4,645.10	-311.39	-364.61	479.48	0.33	-0.29	8.49
4,787.00	0.88	313.84	4,736.09	-310.23	-365.49	479.39	0.31	-0.10	-18.25
4,877.00	0.70	327.99	4,826.08	-309.29	-366.28	479.37	0.29	-0.20	15.72
4,968.00	0.88	321.67	4,917.07	-308.27	-367.01	479.26	0.22	0.20	-6.95
5,058.00	0.53	295.74	5,007.06	-307.55	-367.81	479.40	0.52	-0.39	-28.81
5,149.00	2.02	7.72	5,098.04	-305.77	-367.98	478.36	2.11	1.64	79.10
5,239.00	1.49	6.23	5,188.00	-303.04	-367.64	476.32	0.59	-0.59	-1.66
5,330.00	1.41	21.69	5,278.97	-300.82	-367.09	474.46	0.44	-0.09	16.99
5,420.00	1.23	21.78	5,368.94	-298.90	-366.33	472.62	0.20	-0.20	0.10
5,511.00	1.14	42.00	5,459.93	-297.32	-365.36	470.86	0.47	-0.10	22.22
5,601.00	1.14	41.82	5,549.91	-295.99	-364.16	469.08	0.00	0.00	-0.20
5,692.00	0.79	333.88	5,640.90	-294.75	-363.84	468.03	1.23	-0.38	-74.66
5,782.00	0.79	321.05	5,730.89	-293.71	-364.50	467.85	0.20	0.00	-14.26
5,873.00	0.70	326.94	5,821.88	-292.75	-365.20	467.75	0.13	-0.10	6.47
5,964.00	0.88	317.71	5,912.87	-291.77	-365.97	467.70	0.24	0.20	-10.14
6,054.00	0.88	300.22	6,002.86	-290.91	-367.03	467.94	0.30	0.00	-19.43
6,145.00	0.62	298.02	6,093.85	-290.33	-368.07	468.35	0.29	-0.29	-2.42
6,235.00	0.44	300.40	6,183.85	-289.93	-368.80	468.64	0.20	-0.20	2.64
6,389.00	0.79	232.28	6,337.84	-290.28	-370.15	469.89	0.49	0.23	-44.23
6,416.00	0.88	221.82	6,364.84	-290.54	-370.43	470.28	0.65	0.33	-38.74
6,507.00	0.97	228.85	6,455.83	-291.57	-371.48	471.74	0.16	0.10	7.73
6,598.00	0.97	224.72	6,546.81	-292.63	-372.60	473.28	0.08	0.00	-4.54
6,688.00	0.97	131.82	6,636.81	-293.68	-372.57	473.94	1.56	0.00	-103.22
6,779.00	0.70	129.62	6,727.80	-294.54	-371.57	473.75	0.30	-0.30	-2.42
6,869.00	0.88	151.25	6,817.79	-295.50	-370.81	473.80	0.38	0.20	24.03
6,960.00	0.88	162.14	6,908.78	-296.78	-370.26	474.22	0.18	0.00	11.97
7,051.00	1.14	169.88	6,999.76	-298.33	-369.89	474.95	0.32	0.29	8.51
7,141.00	1.41	165.75	7,089.74	-300.29	-369.46	475.90	0.32	0.30	-4.59
7,232.00	0.88	183.33	7,180.72	-302.07	-369.22	476.89	0.69	-0.58	19.32
7,277.00	0.88	176.56	7,225.72	-302.76	-369.22	477.34	0.23	0.00	-15.04
Last SDI Production MWD Survey									
8,090.00	0.88	176.56	8,038.62	-315.22	-368.47	484.91	0.00	0.00	0.00
Projection To TD									

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
B 1023-10H1BS PBHL	0.00	0.00	7,896.00	-305.58	-358.18	14,518,388.79	2,115,326.31	39° 57' 59.699 N	109° 18' 18.421 W
- actual wellpath misses target center by 12.82ft at 7947.26ft MD (7895.90 TVD, -313.04 N, -368.60 E)									
- Circle (radius 25.00)									

Checked By: _____ Approved By: _____ Date: _____

Scientific Drilling
Rocky Mountain Operations

Kerr McGee Oil and Gas Onshore LP

Uintah County, UT UTM12
Bonanza 1023-10A Pad
Bonanza 1023-10H1BS
OH

Design: OH

Survey Report - Geographic

12 April, 2010

Anadarko
Petroleum Corporation

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Site:	Bonanza 1023-10A Pad	**MD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Well:	Bonanza 1023-10H1BS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Project	Uintah County, UT UTM12		
Map System:	Universal Transverse Mercator (US Survey Feet)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 - Western US		
Map Zone:	Zone 12N (114 W to 108 W)		

Site	Bonanza 1023-10A Pad, Sec 10 T10S R23E				
Site Position:		**Northing:**	14,518,701.13 ft	**Latitude:**	39° 58' 2.719 N
From:	Lat/Long	**Easting:**	2,115,678.62 ft	**Longitude:**	109° 18' 13.820 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	in	**Grid Convergence:**	1.09 °

Well	Bonanza 1023-10H1BS, 1199' FNL & 241' FEL					
Well Position	**+N/-S**	0.00 ft	**Northing:**	14,518,701.13 ft	**Latitude:**	39° 58' 2.719 N
	+E/-W	0.00 ft	**Easting:**	2,115,678.62 ft	**Longitude:**	109° 18' 13.820 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	5,434.00 ft

Wellbore	OH				
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF2005-10	12/31/2009	11.16	65.93	52,510

Design	OH				
Audit Notes:					
Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	10.00
Vertical Section:	**Depth From (TVD) (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Direction (°)**	
	10.00	0.00	0.00	229.24	

Survey Program **Date** 4/12/2010

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
105.00	2,015.00	Survey #1 - Surface (OH)	MWD SDI	MWD - Standard ver 1.0.1
2,070.00	8,090.00	Survey #2 - Production MWD (OH)	MWD SDI	MWD - Standard ver 1.0.1

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Site:	Bonanza 1023-10A Pad	**MD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Well:	Bonanza 1023-10H1BS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (ft)	Map Easting (ft)	Latitude	Longitude
10.00	0.00	0.00	10.00	0.00	0.00	14,518,701.13	2,115,678.62	39° 58' 2.719 N	109° 18' 13.820 W
105.00	0.30	276.77	105.00	0.03	-0.25	14,518,701.15	2,115,678.37	39° 58' 2.719 N	109° 18' 13.823 W
First SDI Surface MWD Survey									
134.00	0.26	270.65	134.00	0.04	-0.39	14,518,701.16	2,115,678.23	39° 58' 2.719 N	109° 18' 13.825 W
163.00	0.67	224.42	163.00	-0.08	-0.57	14,518,701.04	2,115,678.04	39° 58' 2.718 N	109° 18' 13.827 W
192.00	1.55	227.15	191.99	-0.47	-0.98	14,518,700.64	2,115,677.65	39° 58' 2.714 N	109° 18' 13.833 W
221.00	2.52	223.56	220.97	-1.20	-1.71	14,518,699.90	2,115,676.93	39° 58' 2.707 N	109° 18' 13.842 W
249.00	3.52	224.21	248.93	-2.26	-2.73	14,518,698.82	2,115,675.93	39° 58' 2.697 N	109° 18' 13.855 W
279.00	4.48	222.81	278.86	-3.78	-4.17	14,518,697.27	2,115,674.52	39° 58' 2.682 N	109° 18' 13.874 W
308.00	5.55	224.05	307.75	-5.62	-5.91	14,518,695.40	2,115,672.81	39° 58' 2.663 N	109° 18' 13.896 W
338.00	6.55	224.08	337.58	-7.89	-8.11	14,518,693.09	2,115,670.66	39° 58' 2.641 N	109° 18' 13.924 W
367.00	7.56	226.08	366.36	-10.40	-10.64	14,518,690.53	2,115,668.18	39° 58' 2.616 N	109° 18' 13.957 W
397.00	8.53	227.57	396.07	-13.27	-13.70	14,518,687.60	2,115,665.17	39° 58' 2.588 N	109° 18' 13.996 W
425.00	9.35	228.51	423.73	-16.18	-16.94	14,518,684.63	2,115,661.99	39° 58' 2.559 N	109° 18' 14.038 W
454.00	10.22	228.92	452.30	-19.43	-20.64	14,518,681.31	2,115,658.35	39° 58' 2.527 N	109° 18' 14.085 W
484.00	10.87	229.18	481.80	-23.03	-24.79	14,518,677.63	2,115,654.27	39° 58' 2.491 N	109° 18' 14.138 W
514.00	11.49	230.12	511.23	-26.79	-29.22	14,518,673.78	2,115,649.91	39° 58' 2.454 N	109° 18' 14.195 W
544.00	11.65	231.29	540.62	-30.60	-33.88	14,518,669.89	2,115,645.33	39° 58' 2.417 N	109° 18' 14.255 W
574.00	11.67	232.84	570.00	-34.33	-38.66	14,518,666.07	2,115,640.62	39° 58' 2.380 N	109° 18' 14.317 W
604.00	11.70	232.85	599.38	-38.00	-43.50	14,518,662.31	2,115,635.84	39° 58' 2.343 N	109° 18' 14.379 W
634.00	11.72	232.83	628.75	-41.68	-48.35	14,518,658.54	2,115,631.06	39° 58' 2.307 N	109° 18' 14.441 W
665.00	11.85	232.65	659.10	-45.51	-53.39	14,518,654.61	2,115,626.10	39° 58' 2.269 N	109° 18' 14.506 W
695.00	11.91	231.50	688.46	-49.31	-58.26	14,518,650.72	2,115,621.30	39° 58' 2.232 N	109° 18' 14.568 W
725.00	11.89	230.25	717.81	-53.21	-63.06	14,518,646.73	2,115,616.58	39° 58' 2.193 N	109° 18' 14.630 W
755.00	11.95	229.05	747.17	-57.22	-67.79	14,518,642.63	2,115,611.93	39° 58' 2.153 N	109° 18' 14.691 W
845.00	12.29	229.21	835.16	-69.59	-82.08	14,518,629.99	2,115,597.88	39° 58' 2.031 N	109° 18' 14.874 W
935.00	12.72	229.31	923.02	-82.31	-96.84	14,518,617.00	2,115,583.36	39° 58' 1.905 N	109° 18' 15.064 W
1,025.00	13.29	229.54	1,010.72	-95.48	-112.22	14,518,603.53	2,115,568.23	39° 58' 1.775 N	109° 18' 15.262 W
1,115.00	13.06	230.11	1,098.35	-108.71	-127.90	14,518,590.00	2,115,552.81	39° 58' 1.644 N	109° 18' 15.463 W
1,205.00	13.50	230.27	1,185.94	-121.95	-143.78	14,518,576.47	2,115,537.18	39° 58' 1.514 N	109° 18' 15.667 W
1,295.00	13.12	229.43	1,273.52	-135.31	-159.62	14,518,562.81	2,115,521.60	39° 58' 1.382 N	109° 18' 15.870 W
1,385.00	12.44	228.19	1,361.29	-148.41	-174.60	14,518,549.42	2,115,506.87	39° 58' 1.252 N	109° 18' 16.063 W
1,475.00	12.18	226.40	1,449.22	-161.42	-188.70	14,518,536.15	2,115,493.02	39° 58' 1.124 N	109° 18' 16.244 W
1,565.00	11.96	228.70	1,537.23	-174.12	-202.58	14,518,523.18	2,115,479.38	39° 58' 0.998 N	109° 18' 16.422 W
1,655.00	12.18	230.62	1,625.24	-186.30	-216.93	14,518,510.73	2,115,465.27	39° 58' 0.878 N	109° 18' 16.606 W
1,745.00	12.52	229.37	1,713.16	-198.68	-231.67	14,518,498.08	2,115,450.77	39° 58' 0.755 N	109° 18' 16.796 W
1,835.00	13.26	228.67	1,800.89	-211.85	-246.82	14,518,484.63	2,115,435.86	39° 58' 0.625 N	109° 18' 16.990 W
1,925.00	13.62	227.88	1,888.43	-225.77	-262.44	14,518,470.41	2,115,420.52	39° 58' 0.487 N	109° 18' 17.191 W
2,015.00	13.85	228.78	1,975.86	-239.98	-278.40	14,518,455.90	2,115,404.83	39° 58' 0.347 N	109° 18' 17.396 W
Last SDI Surface MWD Survey									
2,070.00	13.98	228.33	2,029.24	-248.73	-288.31	14,518,446.96	2,115,395.09	39° 58' 0.261 N	109° 18' 17.523 W
First SDI Production MWD Survey									
2,161.00	13.28	225.51	2,117.68	-263.36	-303.98	14,518,432.03	2,115,379.70	39° 58' 0.116 N	109° 18' 17.725 W
2,251.00	12.93	232.98	2,205.34	-276.67	-319.39	14,518,418.43	2,115,364.54	39° 57' 59.984 N	109° 18' 17.923 W
2,342.00	11.52	230.26	2,294.28	-288.61	-334.51	14,518,406.21	2,115,349.65	39° 57' 59.866 N	109° 18' 18.117 W
2,432.00	8.97	230.00	2,382.83	-298.87	-346.80	14,518,395.72	2,115,337.56	39° 57' 59.765 N	109° 18' 18.275 W
2,523.00	6.33	230.79	2,473.02	-306.60	-356.12	14,518,387.81	2,115,328.39	39° 57' 59.689 N	109° 18' 18.394 W
2,613.00	3.96	237.82	2,562.65	-311.39	-362.60	14,518,382.90	2,115,322.01	39° 57' 59.641 N	109° 18' 18.478 W
2,704.00	0.62	49.47	2,653.58	-312.75	-364.88	14,518,381.50	2,115,319.75	39° 57' 59.628 N	109° 18' 18.507 W
2,795.00	0.53	77.24	2,744.58	-312.34	-364.10	14,518,381.93	2,115,320.52	39° 57' 59.632 N	109° 18' 18.497 W
2,885.00	2.37	21.08	2,834.55	-310.51	-363.02	14,518,383.77	2,115,321.56	39° 57' 59.650 N	109° 18' 18.483 W
2,976.00	1.67	9.13	2,925.49	-307.44	-362.14	14,518,386.86	2,115,322.39	39° 57' 59.680 N	109° 18' 18.472 W
3,066.00	0.79	358.93	3,015.47	-305.53	-361.94	14,518,388.77	2,115,322.55	39° 57' 59.699 N	109° 18' 18.469 W
3,157.00	0.53	32.33	3,106.47	-304.54	-361.73	14,518,389.76	2,115,322.75	39° 57' 59.709 N	109° 18' 18.466 W
3,247.00	0.44	79.18	3,196.46	-304.13	-361.17	14,518,390.19	2,115,323.30	39° 57' 59.713 N	109° 18' 18.459 W

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Site:	Bonanza 1023-10A Pad	**MD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Well:	Bonanza 1023-10H1BS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (ft)	Map Easting (ft)	Latitude	Longitude
3,338.00	0.53	121.27	3,287.46	-304.28	-360.46	14,518,390.05	2,115,324.01	39° 57' 59.711 N	109° 18' 18.450 W
3,429.00	0.62	131.03	3,378.46	-304.82	-359.73	14,518,389.52	2,115,324.75	39° 57' 59.706 N	109° 18' 18.441 W
3,519.00	0.88	94.56	3,468.45	-305.20	-358.67	14,518,389.17	2,115,325.81	39° 57' 59.702 N	109° 18' 18.427 W
3,610.00	1.14	127.78	3,559.43	-305.81	-357.26	14,518,388.58	2,115,327.23	39° 57' 59.696 N	109° 18' 18.409 W
3,700.00	0.97	119.25	3,649.42	-306.73	-355.89	14,518,387.69	2,115,328.62	39° 57' 59.687 N	109° 18' 18.391 W
3,791.00	1.41	118.55	3,740.40	-307.64	-354.23	14,518,386.81	2,115,330.30	39° 57' 59.678 N	109° 18' 18.370 W
3,881.00	1.58	151.16	3,830.37	-309.25	-352.66	14,518,385.22	2,115,331.90	39° 57' 59.662 N	109° 18' 18.350 W
3,972.00	1.49	169.79	3,921.34	-311.52	-351.85	14,518,382.98	2,115,332.76	39° 57' 59.640 N	109° 18' 18.339 W
4,062.00	0.79	183.33	4,011.32	-313.29	-351.68	14,518,381.21	2,115,332.96	39° 57' 59.622 N	109° 18' 18.337 W
4,153.00	0.79	222.26	4,102.31	-314.38	-352.14	14,518,380.11	2,115,332.52	39° 57' 59.612 N	109° 18' 18.343 W
4,243.00	1.85	253.11	4,192.29	-315.26	-353.94	14,518,379.19	2,115,330.73	39° 57' 59.603 N	109° 18' 18.366 W
4,334.00	2.20	274.29	4,283.23	-315.56	-357.09	14,518,378.84	2,115,327.59	39° 57' 59.600 N	109° 18' 18.407 W
4,425.00	2.02	267.44	4,374.17	-315.50	-360.43	14,518,378.83	2,115,324.25	39° 57' 59.601 N	109° 18' 18.450 W
4,515.00	1.41	332.21	4,464.14	-314.59	-362.54	14,518,379.70	2,115,322.13	39° 57' 59.610 N	109° 18' 18.477 W
4,606.00	1.23	322.81	4,555.11	-312.82	-363.65	14,518,381.45	2,115,320.98	39° 57' 59.627 N	109° 18' 18.491 W
4,696.00	0.97	330.45	4,645.10	-311.39	-364.61	14,518,382.86	2,115,320.00	39° 57' 59.641 N	109° 18' 18.503 W
4,787.00	0.88	313.84	4,736.09	-310.23	-365.49	14,518,384.00	2,115,319.09	39° 57' 59.653 N	109° 18' 18.515 W
4,877.00	0.70	327.99	4,826.08	-309.29	-366.28	14,518,384.93	2,115,318.28	39° 57' 59.662 N	109° 18' 18.525 W
4,968.00	0.88	321.67	4,917.07	-308.27	-367.01	14,518,385.93	2,115,317.54	39° 57' 59.672 N	109° 18' 18.534 W
5,058.00	0.53	295.74	5,007.06	-307.55	-367.81	14,518,386.64	2,115,316.72	39° 57' 59.679 N	109° 18' 18.544 W
5,149.00	2.02	7.72	5,098.04	-305.77	-367.98	14,518,388.41	2,115,316.52	39° 57' 59.697 N	109° 18' 18.547 W
5,239.00	1.49	6.23	5,188.00	-303.04	-367.64	14,518,391.15	2,115,316.81	39° 57' 59.724 N	109° 18' 18.542 W
5,330.00	1.41	21.69	5,278.97	-300.82	-367.09	14,518,393.38	2,115,317.31	39° 57' 59.746 N	109° 18' 18.535 W
5,420.00	1.23	21.78	5,368.94	-298.90	-366.33	14,518,395.32	2,115,318.04	39° 57' 59.765 N	109° 18' 18.525 W
5,511.00	1.14	42.00	5,459.93	-297.32	-365.36	14,518,396.92	2,115,318.98	39° 57' 59.780 N	109° 18' 18.513 W
5,601.00	1.14	41.82	5,549.91	-295.99	-364.16	14,518,398.27	2,115,320.15	39° 57' 59.793 N	109° 18' 18.498 W
5,692.00	0.79	333.88	5,640.90	-294.75	-363.84	14,518,399.52	2,115,320.45	39° 57' 59.806 N	109° 18' 18.493 W
5,782.00	0.79	321.05	5,730.89	-293.71	-364.50	14,518,400.54	2,115,319.77	39° 57' 59.816 N	109° 18' 18.502 W
5,873.00	0.70	326.94	5,821.88	-292.75	-365.20	14,518,401.48	2,115,319.05	39° 57' 59.825 N	109° 18' 18.511 W
5,964.00	0.88	317.71	5,912.87	-291.77	-365.97	14,518,402.45	2,115,318.26	39° 57' 59.835 N	109° 18' 18.521 W
6,054.00	0.88	300.22	6,002.86	-290.91	-367.03	14,518,403.29	2,115,317.18	39° 57' 59.844 N	109° 18' 18.534 W
6,145.00	0.62	298.02	6,093.85	-290.33	-368.07	14,518,403.85	2,115,316.13	39° 57' 59.849 N	109° 18' 18.548 W
6,235.00	0.44	300.40	6,183.85	-289.93	-368.80	14,518,404.24	2,115,315.40	39° 57' 59.853 N	109° 18' 18.557 W
6,389.00	0.79	232.28	6,337.84	-290.28	-370.15	14,518,403.87	2,115,314.06	39° 57' 59.850 N	109° 18' 18.574 W
6,416.00	0.88	221.82	6,364.84	-290.54	-370.43	14,518,403.59	2,115,313.78	39° 57' 59.847 N	109° 18' 18.578 W
6,507.00	0.97	228.85	6,455.83	-291.57	-371.48	14,518,402.55	2,115,312.75	39° 57' 59.837 N	109° 18' 18.592 W
6,598.00	0.97	224.72	6,546.81	-292.63	-372.60	14,518,401.47	2,115,311.65	39° 57' 59.827 N	109° 18' 18.606 W
6,688.00	0.97	131.82	6,636.81	-293.68	-372.57	14,518,400.42	2,115,311.70	39° 57' 59.816 N	109° 18' 18.606 W
6,779.00	0.70	129.62	6,727.80	-294.54	-371.57	14,518,399.57	2,115,312.72	39° 57' 59.808 N	109° 18' 18.593 W
6,869.00	0.88	151.25	6,817.79	-295.50	-370.81	14,518,398.63	2,115,313.49	39° 57' 59.798 N	109° 18' 18.583 W
6,960.00	0.88	162.14	6,908.78	-296.78	-370.26	14,518,397.36	2,115,314.07	39° 57' 59.786 N	109° 18' 18.576 W
7,051.00	1.14	169.88	6,999.76	-298.33	-369.89	14,518,395.81	2,115,314.47	39° 57' 59.770 N	109° 18' 18.571 W
7,141.00	1.41	165.75	7,089.74	-300.29	-369.46	14,518,393.87	2,115,314.94	39° 57' 59.751 N	109° 18' 18.566 W
7,232.00	0.88	183.33	7,180.72	-302.07	-369.22	14,518,392.09	2,115,315.21	39° 57' 59.733 N	109° 18' 18.563 W
7,277.00	0.88	176.56	7,225.72	-302.76	-369.22	14,518,391.40	2,115,315.22	39° 57' 59.726 N	109° 18' 18.563 W
Last SDI Production MWD Survey									
8,090.00	0.88	176.56	8,038.62	-315.22	-368.47	14,518,378.95	2,115,316.21	39° 57' 59.603 N	109° 18' 18.553 W
Projection To TD									

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well Bonanza 1023-10H1BS
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Site:	Bonanza 1023-10A Pad	**MD Reference:**	GL 5434' & RKB 14' @ 5448.00ft (Ensign 139)
Well:	Bonanza 1023-10H1BS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
B 1023-10H1BS PBHL	0.00	0.00	7,896.00	-305.58	-358.18	14,518,388.79	2,115,326.31	39° 57' 59.699 N	109° 18' 18.421 W
- actual wellpath misses target center by 12.82ft at 7947.26ft MD (7895.90 TVD, -313.04 N, -368.60 E)									
- Circle (radius 25.00)									

Design Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	+E/-W (ft)	Comment
105.00	105.00	0.03	-0.25	First SDI Surface MWD Survey
2,015.00	1,975.86	-239.98	-278.40	Last SDI Surface MWD Survey
2,070.00	2,029.24	-248.73	-288.31	First SDI Production MWD Survey
7,277.00	7,225.72	-302.76	-369.22	Last SDI Production MWD Survey
8,090.00	8,038.62	-315.22	-368.47	Projection To TD

Checked By: _____ Approved By: _____ Date: _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
UTU 40736

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
BONANZA 1023-10H1BS

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047505170000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6515 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1199 FNL 0241 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NENE Section: 10 Township: 10.0S Range: 23.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 4/6/2011	☐ ACIDIZE	☐ ALTER CASING	✓ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Wellhead

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator requests approval to conduct wellhead/casing repair operations on the subject well location. Please find the attached procedure for the proposed repair work on the subject well location.

Accepted by the Utah Division of Oil, Gas and Mining

Date: 04/06/2011

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE		**DATE**
N/A		4/6/2011

RECEIVED Apr. 06, 2011

WORKORDER # 88119297

Name: BONANZA 1023-10H1BS – 1023-10A PAD 4/5/11
Surface Location: NENE Sec. 10, T10S, R23E
Uintah County, UT

API: 4304750517 LEASE#: UTU-40736

ELEVATIONS: 5434' GL 5447' KB

TOTAL DEPTH: 8090' PBTD: 8030'

SURFACE CASING: 8 5/8", 28# IJ-55 @ 2043'

PRODUCTION CASING: 4 1/2", 11.6#, I-80 @ 8074'
T.O.C.@ ~82 per CBL

PERFORATIONS: Mesaverde 6596' – 7778'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.02171	0.00387
4.5" 11.6# I-80	3.875	6350	7780	0.6528	0.0872	0.0155
8.625" 28# J-55	8.097	1370	2950	2.6223	0.3505	0.0624
Annular Capacities						
2.375" tbg. X 4 ½" 11.6# csg				0.4227	0.0565	0.01

GEOLOGICAL TOPS:

1122' Green River
1358' Bird's Nest
1860' Mahogany
4068' Wasatch
5795' Mesaverde

RECEIVED Apr. 06, 2011

BONANZA 1023-10H1BS – WELLHEAD REPLACEMENT PROCEDURE -

PREP-WORK PRIOR TO MIRU:

1. Dig out down to the 2" surface casing valve or to the valve on the riser off the surface casing.
2. Install a tee with 2 valves, with a pressure gauge and sensor on one valve.
3. Open casing valve and record pressures.
4. Install nipple and steel hose on the other valve, the relief valve,. Do not use hammer unions. No impact equipment or tools to be used for any of this installation. Extend hose and hard piping to a downwind location at least 100' from the wellhead. Consider installing a manifold so that vent area could be in two locations approx. 90 degrees apart from the wellhead.
5. Open the relief valve and blow well down to the atmosphere.
6. Make a determination of amount of gas flow, either by installation of a choke nipple, bucket test or other.
7. Shut well in. Observe for rate of build-up by utilizing sensor data. Do not build-up for more than 24 hours. Vent gas through the vent line and leave open to the atmosphere.

WORKOVER PROCEDURE:

1. MIRU workover rig.
2. Kill well with 10# brine / KCL (dictated by well pressure).
3. Remove tree, install double BOP with blind and 2 3/8" pipe rams, with accumulator closing unit and manual back-ups. Function test BOP system.
4. POOH w/ tubing laying down extra tubing.
5. Rig up wireline service. RIH and set CBP @ ~6546'. Dump bail 4 sx cement on top of plug. POOH and RD wireline service. TIH w/ tubing and seating nipple. Land tubing ±60' above cement. RDMO.
6. Monitor well pressures. If surface casing is dead. MIRU. ND WH and NU BOP. POOH w/ tubing.
7. Depending on conditions at wellsite, continue with either CUT/PATCH Procedure or BACK-OFF Procedure.

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CUT/PATCH PROCEDURE:

1. PU internal casing cutters and RIH. Cut casing at +/- 30' from surface.

2. POOH, LD cutters and casing.

3. PU 7 3/8" overshot with 4 ½" right hand standard wicker grapple, 1 - 4 ¾" drill collar with 3 ½" IF threads, pup joint, manual bumper sub, and crossovers. If casing cut is deeper than ±30' utilize >7000 ft-lb torque pipe as needed. Pull a minimum of 10,000# to keep grapple engaged if cement top is high (<~900'). If cement top is low (>~900'), more weight will be required to put casing in neutral. Torque casing string to ±7000 ft-lbs, count number of turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ±7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out, release overshot, POOH, and lay down.

4. TIH w/ skirted mill and dress off the fish top for approximately ½ hour. TOOH.

5. PU & RIH w/ 4 ½" 10k external casing patch on 4 ½" P-110 casing. Ensure that sliding sleeve assembly shifts ±3' and casing tags no-go portion of patch. NOTE: Shear pins will shear at 3500 to 4500 lbs.

6. Latch fish, PU to 100,000# tension. RU B&C. Cycle pressure test to 7,000# / 9,000# psi.

7. Install slips. Land casing w/ 80,000# tension.

8. Cut-off and dress 4 ½" casing stub.

9. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~6496'. Clean out to PBTD (8030').

10. POOH, land tbg and pump off POBS.

11. NUWH, RDMO. Turn well over to production ops.

BACK-OFF PROCEDURE:

1. PU internal casing cutters and RIH. Cut casing at +/- 6' from surface.

2. POOH, LD cutters and casing.

3. PU 4 ½" overshot. RIH, latch fish. Pick string weight to neutral.

4. MIRU casing crew and wireline services. RIH and shoot string shot at casing collar @ ± 46'.

5. Back-off casing, POOH.

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6. PU new casing joint with buttress threads and entry guide and RIH. Tag casing top. Thread into casing and torque up to ±7000 ft-lbs, count number of additional turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ±7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out go to step 7.

7. PU 100,000# tension string weight. RU B&C. Cycle pressure test to 7,000# / 9,000# psi.

8. Install slips. Land casing w/ 80,000# tension.

9. Cut-off and dress 4 ½" casing stub.

10. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~6496'. Clean out to PBTD (8030').

11. POOH, land tbg and pump off POBS.

12. NUWH, RDMO. Turn well over to production ops.

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Logan High Pressure Casing Patches
Assembly Procedure

All parts should be thoroughly greased before being assembled.

1. Install all four Logan Type “L” Packers in the spaces provided in the Casing Patch Bowl. Refer to diagram provided for proper installation.

2. Install Packer Protector from the Basket Grapple end of the Bowl. The beveled end of the Packer Protector goes in first. Carefully push the Packer Protector through the four Type “L” Packers.

3. Align Shear Pin Holes in Packer Protector so that the holes have just passed into the counter bore at the Top Sub end, refer to diagram. The Packer Protector is provided with four Shear Pin Holes. Use only two holes, 180 degrees apart and install the pins.

4. Screw the Basket Grapple in from the lower end of the Bowl, using left-hand rotation. The Tang Slot in the Basket Grapple must land in line with the slot in the Bowl.

5. Insert the Basket Grapple Control into the end of the Bowl. Align Tang on the Basket Grapple Control with the Tang Slot of the Bowl and Basket Grapple. This secures the Bowl and the Basket Grapple together.

6. Install the Cutlipped Guide into the lower end of the Bowl.

7. Install O-Rings on the two five-foot long Extensions. Screw the first Extension into the top end of the Bowl. Screw the second Extension into the top end of the first Extension.

8. Install O-Ring on Top Sub. Screw Top Sub into top end of second Extension.

Follow recommended Make-Up Torque as provided in chart.

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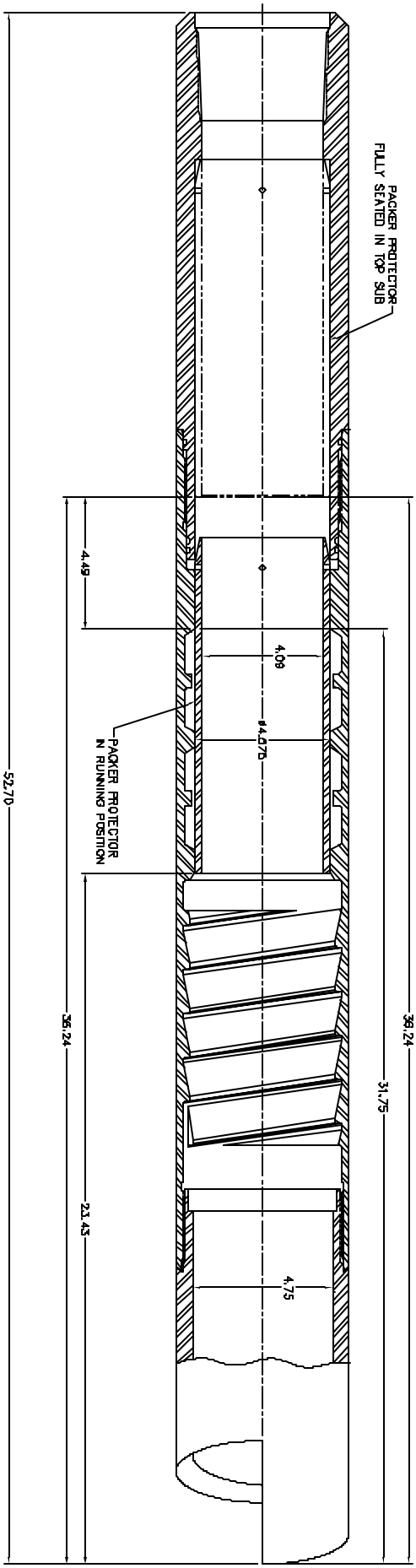
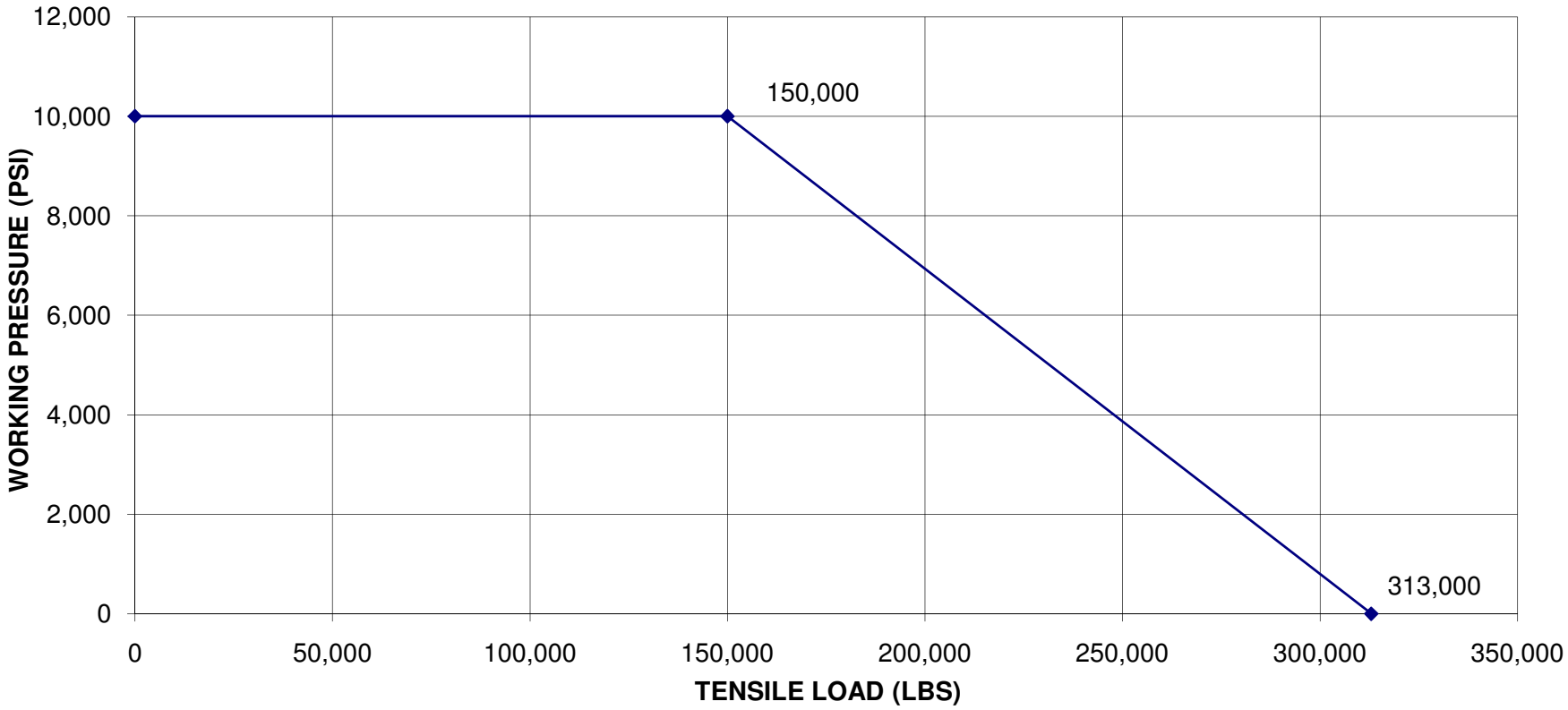


510L-005-001 4-1/2" LOGAN HP CASING PATCH

RECEIVED Apr. 06, 2011

STRENGTH DATA FOR LOGAN 5.88" OD "L" TYPE CSG PATCH
4-1/2 CASING, 10K PSI MAX WP 125K YIELD MAT'L
LOGAN ASSEMBLY NO. 510L-005 -000



COLLAPSE PRESSURE:
11,222 PSI @ 0 TENSILE
8,634 PSI @ 220K TENSILE

Tensile Strength @ Yield:
Tensile Strength w/ 0 Int. Press.= 472,791lbs.
Tensile Strength w/ 10K Int. Press.= 313,748lbs.

DATA BY SLS 11/16/2009

RECEIVED Apr. 06, 2011

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU 40736

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: BONANZA 1023-10H1BS

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047505170000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6515 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1199 FNL 0241 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 10 Township: 10.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	✓ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 7/25/2011	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Wellhead Repair

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR HAS CONCLUDED WELLHEAD/CASING REPAIRS ON THE SUBJECT WELL LOCATION. PLEASE SEE THE ATTACHED CHRONOLOGICAL HISTORY FOR DETAILS OF THE OPERATIONS.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Gina Becker	720 929-6086	Regulatory Analyst II
SIGNATURE N/A		**DATE** 7/25/2011

RECEIVED Jul. 25, 2011

US ROCKIES REGION

Operation Summary Report

Well: BONANZA 1023-10H1BS [GREEN]	Spud Conductor: 2/22/2010	Spud Date: 2/26/2010	
Project: UTAH-UINTAH	Site: BONANZA 1023-10A PAD		Rig Name No: LEED 698/698
Event: WELL WORK EXPENSE	Start Date: 6/30/2011		End Date: 7/6/2011
Active Datum: RKB @5,448.00ft (above Mean Sea Leve	UWI: NE/NE/0/10/S/23/E/10/0/0/6/PM/N/1,199.00/E/0/241.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
6/30/2011	7:00 - 8:30	1.50	ALL	30	G	P		
	8:30 - 9:30	1.00	ALL	30	A	P		MIRU.
	9:30 - 10:20	0.83	ALL	47	A	P		FCP. 58 PSI. FTP. 58 PSI. BLEW TBG DWN, CONTROL TBG W/ 10 BBLS T-MAC, ND WH, NU BOP'S, RU FLOOR & TBG EQUIPMENT,
	10:20 - 13:00	2.67	ALL	31	I	P		UNLAND TBG HANGER, POOH 234 JTS. 2-3/8 J-55 TBG, HAD HAIL STORM & LIGHTNING DELAY.
	13:00 - 15:30	2.50	ALL	34	I	P		RU CUTTERS WIRELINE SERVICES, RIH & SET 4-1/2 BAKER 10K CBP @ 6546', RU CMT BAILER & DUMP BAIL 4 SX CLASS "G" CMT ON PLUG, POOH & RD CUTTERS WIRELINE SERVICES, FILL 4-1/2 CSG W/ T-MAC, P.T. CBP TO 3000 PSI. HELD, SWI, SDFN.
7/1/2011	7:00 - 7:30	0.50	ALL	48		P		HSM, REVIEW CUT/ PATCH PROCEDURE
	7:30 - 8:00	0.50	ALL	47	A	P		RD FLOOR & TBG EQUIPMENT, ND BOP'S, ND CSG BOWL, RU PWR SWVL.
	8:00 - 9:30	1.50	ALL	31	B	P		PU INTERNAL CSG CUTTER & RIH, CUT 4-1/2 CSG, 3' FROM SURFACE, RD PWR SWVL, POOH, LD CSG CUTTER & MANDREL, PU 4-1/2 OVERSHOT & RIH, LATCH FISH, RU CSG CREW & WIRELINE SERVICES, RIH & STRING SHOT CSG COLLAR, BACK-OFF PUP JNT, PU NEW 10' PUP JNT, TAG CSG TOP, THREAD INTO CSG, TORQUE CSG TO 7000# W/ 37 ROTATION ON CSG, PU CSG TO 100,000# TENSION.
	9:30 - 10:30	1.00	ALL	33	C	P		RU B&C QUICK TEST, P.T. 4-1/2 CSG TO 1000 PSI. FOR 15 MINS, LOST 7.5 PSI. IN 15 MINS, P.T. 4-1/2 CSG TO 3500 PSI. LOST 22.5 PSI IN 30 MINS, RD B&C QUICK TEST.
	10:30 - 12:00	1.50	ALL	31	I	P		SET C-21 SLIPS, LAND 4-1/2 CSG, W/ 80,000# TENSION, CUT & DRESS 4-1/2 CSG STUB, INSTALL "H" PLATE, FLANGE & CROSSOVER SPOOL, TORQUE ALL 1-7/8 BOLTS.
	12:00 - 12:45	0.75	ALL	47	A	P		NU CSG BOWL, NU BOP'S, RU FLOOR & TBG EQUIPMENT.
	12:45 - 15:00	2.25	ALL	31	I			PU 3-7/8 MILL & RIH 207 JTS. 2-3/8 J-55 TBG, TAG TOP OF CMT @ 6508' POOH 4 JTS. EOT @ 6388' SWI, SDFWE.
7/5/2011	7:00 - 7:30	0.50	ALL	48		P		HSM, REVIEW AIR FOAM SAFETY.
	7:30 - 8:00	0.50	ALL	47	A	P		RU PWR SWVL, INSTALL TSF, RU TECH FOAM.
	8:00 - 8:30	0.50	ALL	31	H	P		BROKE CIRC IN 30 MINS.
	8:30 - 10:00	1.50	ALL	44	A	P		TAG CMT @ 6508' D/O CMT F/ 6508' TO 6548' IN 12 MINS, D/O CBP IN 5 MINS, HAD 110 PSI. INCREASE, CONTROL TBG, LD PWR SWVL, POOH 2 JTS. TO REMOVE TSF,
	10:00 - 15:00	5.00	ALL	31	I	P		PU & RIH 2-3/8 J-55 TBG F/ TRAILER, TAG SCALE @ 7390' W/ 235 JTS. RU PWR SWVL, INSTALL TSF, BROKE CIRC IN 15 MINS, C/O F/7390' TO 7395' FELL THROUGHT, RD PWR SWVL, TIH TBG & TAG FILL @ 7983' W/ 254 JTS. CIRC HOLE CLEAN, POOH & LD 19 JTS. 2-3/8 J-55 TBG, POOH 100 JTS. EOT @ 4018', SWI, SDFN.
7/6/2011	7:00 - 7:30	0.50	ALL	48		P		HSM, REVIEW TRIPPING OUT TBG.
	7:30 - 10:00	2.50	ALL	49	A	P		REPAIRED SANDLINE ON RIG.

RECEIVED Jul. 25, 2011

US ROCKIES REGION

Operation Summary Report

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Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	10:00 - 15:00	5.00	ALL	31	I	P		SICP. 950 PSI. TP. 0 PSI. POOH 134 JTS, 2-3/8 J-55 TBG, LD 3-7/8 MILL, PU 1.875 HALF POBS & RIH 120 JTS. 2-3/8 J-55 TBG, EOT @ 3780', RU SWAB EQUIPMENT, RIH 1.9 BROACH & BROACH TBG, TO 3780', POOH, RD SWAB EQUIPMENT, FINISH RIH 114 JTS. 2-3/8 J-55 TBG, LAND TBG HANGER, RU SWAB EQUIPMENT, RIH 1.9 BROACH TO EOT @ 3590', POOH, RD SWAB EQUIPMENT, RD FLOOR & TBG EQUIPMENT, ND BOP'S, NU WH, RDMO. TBG DETAIL KB----------13' HANGER----------1.0' 234 JTS. 2-3/8 J-55 TBG----------7366.26' 1.875 XN HALF POBS----------2.20' EOT @----------7382.46' WLTR. 45 BBLS. TOP PERF @ 6596' BTM PERF @ 7778' PBTD @ 8030' CONDUCT WELL HEAD/ CSG REPAIR. API # 43-047-50517-00-S1